



Daily Report

China

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General

Luo Gan To Visit Middle East, Turkey

OW0308062695 Beijing XINHUA in English
0614 GMT 3 Aug 95

[FBIS Transcribed Text] Beijing, August 3 (XINHUA) — At the invitation of the Governments of Kuwait, Saudi Arabia, the United Arab Emirates and Turkey, Chinese State Councillor and Secretary-General of the State Council Luo Gan will pay an official visit to the four above-mentioned countries from August 10 to 23.

Luo Gan will also attend the 61st General Conference of the International Federation of Library Associations to be held in Istanbul, Turkey.

This was announced by Chinese Foreign Ministry spokesman Shen Guofang here today.

Beijing Shifts Focus of Attack to Taiwan

HK0308031495 Hong Kong LIEN HO PAO
in Chinese 1 Aug 95 p 8

[Dispatch from Beijing by special correspondent Lai Chin-hung (6351 6930 1347): "Beijing Shifts Spearhead of Attack From the United States to Taiwan"]

[FBIS Translated Text] A source in Beijing confirmed that the Beijing authorities have put Taiwan work high on their agenda. He said that as the recent remarks by the Chinese top brass on Li Teng-hui's U.S. visit indicated, the Beijing authorities have shifted the spearhead of attack from the United States to Taiwan, and are adjusting their Taiwan policy by using hard and soft policies alternately.

The source pointed out that in the past, the Beijing top echelon viewed "Taiwan independence" primarily as an internal matter on the island of Taiwan which was initiated spontaneously on the island and made use of by some U.S. forces. After Li Teng-hui's U.S. visit, the Beijing top echelon believes that "Taiwan independence" is being attempted by the Taiwan authorities and is "propped up" by the United States. The change in this understanding has led to simultaneous adjustments in the Beijing government's policy toward Taiwan and in its foreign policy.

The source noted that the Taiwan issue would not have been the most important question for Beijing to solve, but Li Teng-hui's visit has placed the Taiwan issue high on the agenda. China will spend more time and energy dealing with the Taiwan issue on a priority basis.

The source said that the major issue for both sides of the Taiwan Strait is that the failure of the top echelons of both sides to figure out each other's political intentions has become a major obstacle to their communication on

the political front. "What is Li Teng-hui really up to?" "Does Taiwan really want reunification?" These are the major bases and ideas for Beijing's top brass to adjust China's Taiwan policy. He noted that because China is changing its leadership in the late-Deng period, the United States is adjusting its foreign policy, and Taiwan is in a period of rapid political pluralism, cross-strait relations will face more factors for instability.

The source added that should Taiwan cling to a tough policy, it will very likely come under longstanding pressure from China, which means that the two sides of the Strait will be in a "longstanding tense situation."

The person familiar with the mainland's foreign policy said that as a result of Li Teng-hui's visit to the United States, both the Chinese foreign affairs departments and their leaders have been castigated. The military has criticized them severely for "reacting too slowly."

Jiang Zemin Appoints Envoys

OW0308090395 Beijing XINHUA in English
0737 GMT 3 Aug 95

[FBIS Transcribed Text] Beijing, August 3 (XINHUA) — Chinese president Jiang Zemin today appointed three new ambassadors, following a decision of the National People's Congress Standing Committee.

Yu Xingzhi is appointed the new ambassador of China to the Republic of Yemen, replacing Li Liugen.

Chinese Ambassador to the Republic of Azerbaijan Xia Shuyuan is replaced by Lei Yin.

Tan Xingju is appointed the new ambassador of China to the Republic of Uganda, replacing Xu Yingjie.

World Bank Approves Loan for Expressway

OW0308071295 Beijing XINHUA in English
0631 GMT 3 Aug 95

[FBIS Transcribed Text] Beijing, August 3 (XINHUA) — The Executive Board of the World Bank has approved a loan of 260 million U.S. dollars for construction of an express way between Shanghai, the leading economic center, and Hangzhou, capital city of Zhejiang Province.

The loan, extended for 20 years, including a five-year grace period, at the Bank's standard variable interest rate, accounts for 36 percent of the total investment needed for the project, according to the Bank's resident mission in Beijing.

The loan project consists three parts: Building a 130-km, four-lane Shanghai-Hangzhou express way; improving highway infrastructure and providing training courses;

and strengthening institutional agencies responsible for the administration and management of highway transport in Shanghai and Zhejiang.

Project director Rita Pasi said that the expressway will reduce the travel time between the two cities from over five hours now to less than four hours after the project is completed.

Asian Development Bank Aids Qinghai Education

*OW0308015595 Beijing XINHUA in English
0143 GMT 3 Aug 95*

[FBIS Transcribed Text] Xining, August 3 (XINHUA) — The Asian Development Bank has provided 500,000 U.S. dollars in aid to northwest China's Qinghai Province to help develop local education undertakings.

One hundred and twenty middle-school teachers from northwest China's Qinghai Province have left here for Beijing for professional training, thanks to the aid of ADB.

Qinghai suffers from a severe shortage of middle-school teachers, and ADB assistance is timely, said a provincial official in charge of educational affairs.

The aid project will train a total of 5,000 middle-school teachers within three years, he said, adding that the experimental school attached to Beijing Normal University will shoulder part of the training scheme.

Experts from Beijing Normal University and Australia will also give guidance, he said.

Ten Countries Represented at Kunming Export Fair

*OW0208132695 Beijing XINHUA in English
1310 GMT 2 Aug 95*

[FBIS Transcribed Text] Kunming, August 2 (XINHUA) — Ten countries have sent their delegations to this capital city of Southwest China's Yunnan Province for a week-long export commodities fair for 1995, which is due to open on August 8.

A spokesman for the fair's organization committee said that these countries, which include Myanmar [Burma], Vietnam, Thailand, Japan, Germany and France, have booked 174 stands, or 14 percent of the total at the fair.

He said that the Hong Kong Trade Development Council, which is attending this annual trade fair for a second time, has booked 18 stands.

Delegations from Vietnam, Laos and Myanmar will be headed by their ministers of foreign trade respectively.

Meanwhile, an international medical apparatuses and equipment show will also be held, at which medical

instruments made in Japan, the United States and Germany will be displayed, the spokesman said.

United States & Canada

U.S. Air Force Officers 'Violate' Laws

To Be Expelled

*OW0208115895 Beijing XINHUA in English
1102 GMT 2 Aug 95*

[FBIS Transcribed Text] Beijing, August 2 (XINHUA) — China would expel two U.S. Air Force officers within 24 hours, China's state security authorities announced here today.

The two U.S. Air Force officers are Joseph Wei Chan, Air Force Liaison Officer, and Dwayne Howard Florenzie, Assistant Air Force Liaison Officer of the U.S. Consulate-General in Hong Kong.

Chinese Foreign Ministry spokesman Shen Guofang said here today that the two men had violated Chinese laws during their stay in China.

He said that recently, the two men applied for entry visas on the ground of holding consultations with the U.S. Embassy and Consulate-General personnel in China.

After they entered into China on 23 July, they "sneaked into a number of restricted military zones in China's southeast coastal areas and illegally acquired military intelligence by photographing and video-taping," Shen said, adding that they were caught "on the spot" at 10:04 hours, July 29 by Chinese soldiers on duty.

The spokesman noted that the state security authorities in China have, in accordance with law, conducted an investigation into their activities, and "the facts are clear and evidences irrefutable."

"The activities of Joseph Chan and Dwayne Florenzie have violated the Law of the People's Republic of China on the Protection of Military Facilities, the Law of the People's Republic of China on State Security and the Law of the People's Republic of China on Control of Entry and Exit of Aliens, and seriously undermined China's national security," Shen said.

China's state security authorities announced today that the two men in question would be expelled within 24 hours in accordance with law, Shen added.

Upon instruction, he said, Zhang Hongxi, Director-General of the Department of Consular Affairs of the Chinese Foreign Ministry, summoned Scott Hallford, Charge d'affaires ad interim of the U.S. Embassy in

China, at 10 a.m. today, and made solemn representations and lodged a strong protest with the U.S. Government on this incident which seriously undermines China's national security and demanded assurance from the U.S. side that similar incidents would not recur in the future.

Further on Expulsion

BK0208111495 Hong Kong AFP in English
1107 GMT 2 Aug 95

[FBIS Transcribed Text] Beijing, Aug 2 (AFP) — China's Foreign Ministry announced Wednesday the expulsion of two US air force officers from the US consulate-general in Hong Kong for entering restricted military areas in China.

Beijing Lodges 'Strong' Protest

OW0208122995 Beijing XINHUA Domestic Service
in Chinese 1109 GMT 2 Aug 95

[FBIS Translated Text] Beijing, 2 Aug (XINHUA) — Foreign Ministry spokesman Shen Guofang issued a statement here today concerning the expulsion of two U.S. officers from China.

Shen Guofang said: Recently Joseph Chan, Air Force liaison officer, and Dwayne Florenzie, assistant Air Force liaison officer, of the U.S. Consulate General in Hong Kong applied for entry visas on the ground of holding consultations with the U.S. Embassy and Consulate General personnel in China. After they entered into China on 23 July, they sneaked into a number of restricted military zones in China's southeast coastal areas and illegally stole [qie qu 4537 0648] military intelligence by photographing and video-taping. They were caught on the spot at 1004 [0204 GMT] on 29 July by Chinese soldiers on duty.

The spokesman said: The Chinese state security authorities have, in accordance with law, conducted an investigation into their activities, and the facts are clear and evidences irrefutable [que zuo 4292 7020]. The activities of Joseph Chan and Florenzie have violated the "Law of the PRC on the Protection of Military Facilities", the "Law of the PRC on State Security," and the "Law of the PRC on Control of Entry and Exit of Aliens"; and have seriously undermined China's national security. The Chinese state security authorities announced today that the two men in question would be expelled within 24 hours in accordance with law.

He added: Upon instruction, Zhang Hongxi, director general of the Department of Consular Affairs of the Chinese Foreign Ministry, summoned Scott Hallford, charge d'affaires ad interim of the U.S. Embassy in China, at 1000 [0200 GMT] today, and made solemn

representations and lodged a strong protest [yan zheng jiao she he qiang lie kang yi 0917 2973 0074 3195 0735 1730 3525 2123 6231] with the U.S. Government on this incident which seriously undermines [yan zhong wei hai 0917 6850 0604] China's national security and demanded assurance from the U.S. side [yao qiu mei fang bao zheng 6008 3061 5019 2455 0202 6086] that similar incidents would not recur in the future.

Further on Officers

BK0208112295 Hong Kong AFP in English
1117 GMT 2 Aug 95

[FBIS Transcribed Text] Beijing, Aug 2 (AFP) — China expelled two US air force officers from the US consulate-general in Hong Kong for entering restricted military areas in China, the foreign ministry announced Wednesday.

The consulate's air force liaison officer Joseph Wei Chan and his deputy Dwayne Howard Florenzie will be expelled within 24 hours, foreign ministry spokesman Shen Guofang said.

The two men were caught by Chinese soldiers July 29 in a restricted military zone in southeast China, where they had "illegally acquired military intelligence by photographing and video-taping," Shen said.

Chan and Florenzie had entered China on July 23, having applied for visas on the grounds of holding consultations with the US embassy in Beijing and other consulate-general personnel in the country, Shen added.

'Seriously Undermined' Security

BK0208115695 Hong Kong AFP in English
1151 GMT 2 Aug 95

[FBIS Transcribed Text] Beijing, Aug 2 (AFP) — China said Wednesday that two US air force officers would be expelled for entering restricted military areas in the mainland.

Air force liaison officer Joseph Wei Chan and his deputy Dwayne Howard Florenzie, both based at the US consulate general in Hong Kong, will be expelled within 24 hours, foreign ministry spokesman Shen Guofang said.

The two men were caught "on the spot" by Chinese soldiers July 29 in a restricted military zone in southeast China, Shen said. They had "illegally acquired military intelligence by photographing and video-taping," the spokesman added.

Chan and Florenzie had entered China on July 23, having applied for visas on the grounds of holding

consultations with the US embassy in Beijing and other consulate-general personnel in the country, Shen added.

Having entered the country, "they sneaked into a number of restricted military zones in China's southeast coastal areas," Shen said, adding that the expulsion order had been issued by the state security authorities.

The authorities have carried out an investigation into the case and "the facts are clear and irrefutable," Shen said, stipulating that the two officers had violated Chinese laws on the protection of military facilities, state security and the control of aliens entering and exiting the country.

Their activities have also "seriously undermined China's national security," he added.

It was not immediately clear where the two officers were being held or whether the expulsion order, which was relayed to the US charge d'affaires Scott Halford in Beijing at 10 a.m. (0200 GMT) Wednesday, had been carried out.

The government lodged a strong protest with Halford, who is currently in charge of the embassy as it awaits a new ambassador, and demanded assurances that similar incidents would not occur in the future.

Editorial Views Expulsions

HK0308072195 Hong Kong SOUTH CHINA
MORNING POST in English 3 Aug 95 p 16

[Editorial: "Dangerous Games"]

[FBIS Transcribed Text] Beijing's expulsion of two US air force officers is a clear sign that some in the Chinese leadership have no intention of allowing their more pragmatic colleagues to repair relations with Washington. China is almost certainly right to say that the two Hong Kong-based diplomats broke its laws: merely photographing a bridge on the mainland can sometimes be categorised as espionage. More information will be needed before the precise nature of the two men's activities can be properly judged.

It seems likely that they were engaged in intelligence-gathering — although probably only of a low-level and routine nature. Beijing has long known that this goes on and, indeed probably instructs its own diplomats to undertake similar activities in the US.

If China simply wanted to bring this to a halt, a quiet word to Washington would have been enough. Instead, as with human rights activist Harry Wu Hongda, the authorities granted the two diplomats visas, apparently knowing what they were up to, and so lured them into a trap.

For Washington to have continued such intelligence-gathering at a time of strained relations was an act of thoughtless stupidity. Any government whose left hand knew what its right was doing would have realised that it would be tactically wise — to put it mildly — to call a temporary halt to such activities, and to avoid handing hostages to fortune in the shape of the two attaches.

Yet the incoherence appears far greater on China's part. Beijing had the common sense to keep the incident quiet for long enough to ensure that it did not mar Vice-Premier Qian Qichen's meeting with Secretary of State Warren Christopher in Brunei. But the announcement of the expulsions just 24 hours later smacks of wanting to send a message that, whatever moves the Foreign Ministry may make to restore relations with the US, it is those who conduct the missile tests off Taiwan who will have the final word — and they evidently see no points in letting up on Washington at present. There must also be a danger that this case will somehow be used to justify Mr Wu's jailing on espionage charges.

With such disarray on both sides, hostilities can only be resolved at the top level. The announcement of the expulsions last night is another strong argument that President Bill Clinton should make every effort to meet his Chinese counterpart Jiang Zemin in the United States in October, to try to set things right at presidential level.

U.S. Urged To Abandon Containment Policy

OW0308095895 Beijing China Radio International
in English
to Western North America 0400 GMT 3 Aug 95

[From the "Current Affairs" program]

[FBIS Transcribed Text] The Cold-War containment policy directed against other countries has proven over time to be a failure. But the U.S. is still trying to use this policy in an attempt to halt China's development. CRI [China Radio International] gives an overall judgment of the U.S. policy in this commentary read by (Zhou Hong):

[(Zhou)] The U.S. Government has always said that it is committed to a policy of engagement with China, and not to one of containment. It has time and again emphasized that a strong, open, and prosperous China is in the best interests of the United States. But we Chinese people have a saying: Listen to what a person says and watch what he does.

Reviewing past history, this is what we Chinese actually see. Washington has persistently blocked China's efforts to reenter the General Agreement on Tariffs and Trade, thereby interfering with the country's further opening up and development. It has exerted pressure on China by

trying to connect the issue of human rights with most-favored-nation status. It has violated the three Sino-U.S. joint communiques, selling advanced weaponry to Taiwan. Washington has also tried to involve itself in the issue of the Nansha [Spratly] Islands, attempting to instigate hostile relations between China and neighboring countries. In June, it went so far as to allow Taiwan leader Li Denghui [Li Teng-hui] to visit the United States. A U.S. spokesman even dared to refer to Li Denghui as president whenever his name was mentioned, thus wantonly supporting the idea of two China's or one China, one Taiwan.

In the light of all this, people cannot but ask: Do these actions actually support Washington's claim that the United States is not plotting to contain China? Do these actions even defend the U.S. claim that a strong, open, and prosperous China is in the best American interests? Contrary to what the U.S. Government has said, it appears to be extremely nervous about China becoming powerful day by day. Even U.S. Assistant Secretary of State Winston Lord has admitted publicly that due to China's rapid and unprecedented development in recent years, the United States and other countries may have to turn to a policy of containment toward China. However, any attempt by the United States to threaten with containment runs against the trend of history, and turns Sino-U.S. relations into a confrontation.

During his Tuesday [1 August] meeting with U.S. Secretary of State Warren Christopher, Chinese Vice Premier and Foreign Minister Qian Qichen noted that a country's commitment is valuable only when it is matched by concrete and persistent actions. We sincerely hope that the United States will abandon its containment policy toward China and take immediate measures to restore Sino-U.S. relations to a fair and just course.

U.S. Denial of Containment Policy Refuted

OW0308105895 *Beijing China Radio International*
in English
to Western North America 0400 GMT 3 Aug 95

[Report on first part of interview with (Liu Liandi), from the China Institute of Contemporary International Relations, by an unidentified station reporter; place and date not given; from the "Current Affairs" program]

[FBIS Transcribed Text] While many U.S. politicians are denying Washington attempts to isolate and contain China, Chinese researchers have refuted them. In a recent CRI [China Radio International] interview, (Liu Liandi), from the China Institute of Contemporary International Relations, offered many facts to support the refutation. In the first part of the interview, he

focused on how the United States has tried to contain China's economic development. Here is (Xu Huazhen) with the interview.

[(Xu)] (Liu Liandi) said now that the Cold War ended about four years ago, some people in the U.S. Government regard the United States as the sole superpower in the world. They believe that China's reunification, development, and growing prosperity are a threat to Washington's self-proclaimed world leadership.

(Liu Liandi) said the United States has adopted a series of measures to block China's development. One of them is to link human rights issues to trade. (Liu Liandi) noted after Bill Clinton became U.S. President, he attached the seven human rights conditions to the granting of most-favored-nation [MFN] status to China. Then when human rights were delinked from the MFN issue last year, Washington resorted to other means. For example, the United States tried to block China's reentry efforts into the General Agreement on Tariffs and Trade or GATT. It is well-known that GATT membership will boost China's economic reform and the opening up of its markets. Judging from the country's economic development level, China should reenter GATT as a developing nation. But Washington has insisted that China enter GATT only as a developed developing nation [as heard]. It has raised excessive and unrealistic demands, which have led to the failure of China's GATT membership negotiations at the end of last year.

(Liu Liandi) also referred to the recently concluded informal consultations on China's GATT membership. According to (Liu Liandi), the European Union nations, Japan, and Australia have all expressed their full support for China's membership, but just as the GATT working party on China's accession was about to draft major items in accession protocol, U.S. representatives claimed that China's approval system of foreign trade is not acceptable and that they would not join in the drafting.

(Liu Liandi) said that as the Chinese chief negotiator, Long Yongtu, pointed out, Washington has promised on many occasions to support China's membership bid, but it tends to undermine the process once negotiations reach the critical point.

Editorial Urges U.S. Action on Taiwan Issue

HK0308035995 *Hong Kong TA KUNG PAO*
in Chinese 31 Jul 95 p A2

[Editorial: "Taiwan Is Part Of China's Territory"]

[FBIS Translated Text] Qian Qichen, China's vice premier and foreign minister, will meet with U.S. secretary of state Warren Christopher in Brunei tomorrow. The

U.S. Government's act of allowing a visit by Taiwan's Li Teng-hui in May this year was in breach of the principles of the three Sino-U.S. joint communiques, and has destroyed the basis for friendly cooperative relations between the two countries. The U.S. side had intended to send someone to Beijing to "explain" it away, but naturally that is impossible. Qian Qichen's Brunei trip is mainly to attend the annual meeting of the ASEAN foreign ministers and the Asia-Pacific Regional Forum, to have dialogues with ASEAN foreign ministers, and also to meet with Warren Christopher. As for whether Sino-U.S. relations can improve, that still will depend on whether the American side will adopt practical and effective measures to correct its mistakes.

Before leaving for Brunei, Christopher made a speech in Washington in which he reiterated that the United States will adhere to the principles of the three Sino-U.S. communiques and recognize the People's Republic of China as the only legitimate government of China, and that it will accept that there is only one China, of which Taiwan is a part. Christopher also repeated that the U.S. Government has no intention of advocating or supporting the policy of "two Chinas" or "one China, one Taiwan." However, he continued to defend the granting of Li Teng-hui's U.S. visit, saying that was "in line with American values and beliefs." He also said the U.S. Government will not ban future visits to the United States by Li Teng-hui.

As everyone knows, because of Li Teng-hui's status, his being granted permission to visit the United States is related to the question of whether China and the United States are abiding by the rules of diplomatic relations, and does not involve "American values and beliefs" at all. The Chinese Government has never objected to ordinary Taiwanese compatriots going to the United States to visit, do business, or take part in various kinds of private sector activities. However, Li Teng-hui's trip to the United States was obviously to promote the concept of "two Chinas" or "one China, one Taiwan," and to "obtain more international space" for "the Republic of China in Taiwan," which wants to "split the country and have a separate government." Reports on the visit from the United States and Taiwan, and the remarks of many political figures all confirmed that Li Teng-hui's U.S. trip was of this nature. Warren Christopher wanted to muddle things up by saying that Li Teng-hui's U.S. visit was a question of personal freedom, but he was only trying to fool himself and other people. Just two days before issuing Li Teng-hui's visa, the U.S. State Department itself was still stressing that it would not allow him to enter the country, the reason being that this was not in keeping with the policy of one China; however, just two days later it completely

reversed its position. How can "American values" serve as an excuse for this?

The United States has broken its promise and turned things upside down, so if it seriously wants to shoulder the responsibilities of a major country, and to restore and develop its cooperative relations with China in the future, then first it will need to rebuild trust. This cannot be done simply through talking and explaining. Did the U.S. side not guarantee that it would not issue Li Teng-hui a visa? If it could go back on its words just two days later, how can the Chinese ever again trust the guarantees of the U.S. Government? So to rebuild trust gradually, practical measures and concrete action must be taken to show that the three Sino-U.S. joint communiques will be adhered to.

Concrete action means that the U.S. side must recognize Taiwan as part of the territory of the People's Republic of China in a concrete way, and not just as an abstract principle. It must accept that China will be reunited and that its sovereignty cannot be divided, and must adhere to strict non-interference in the Taiwan question, which is purely China's internal affair. In the United States now there are people who say, on the one hand, that they want to maintain a cooperative relationship with China, while on the other they openly advocate splitting Taiwan from Chinese territory and removing it from China's sovereignty. For example, in an editorial published on the 28th of this month, THE WALL STREET JOURNAL actually said that China's declaration of sovereignty over Taiwan, Tibet, and Hong Kong is an "ambition," and that one must object to "the exercising of sovereignty by certain governments unilaterally over people who are not willing to accept their rule." This kind of remark precisely reflects the arrogance and ignorance of some Americans. If this kind of argument can stand, then former American President Lincoln had made a mistake too: He should not have declared war on the South, which wanted independence and the retention of the slave system, and should not have reunified the country. This kind of ridiculous argument has been prevalent in the United States in recent days, and it will not help to restore and improve Sino-U.S. relations.

After Li Teng-hui's U.S. visit, and after his related remarks and actions made an adverse impact and were severely criticized by the Chinese Government and people, the Taiwanese authorities tried to defend them by saying that Li Teng-hui's political thinking is different from the "independent Taiwan" camp. However, it was precisely under the circumstances of Li's political thinking moving closer to the "independent Taiwan" camp that someone declared that Taiwan "does not come under the sovereignty of the People's Republic of China." When Li Teng-hui created the phrase "the Republic of

China in Taiwan," he said the Chinese Communist Party has never ruled over Taiwan, so the People's Republic of China does not have sovereignty over Taiwan, etc. This kind of remark fits in with the attempt by foreign forces to split China. In fact, Japan took over Taiwan in 1895 under the "Shimonoseki Treaty" when China was under the weak Qing Dynasty government, and it was not until 1945 that China recovered the territory with its victory in the War of Resistance against the Japanese aggressors. China then set up administrative agencies in the Province of Taiwan and resumed the exercise of sovereignty over it; before that, had the Republic of China ever ruled Taiwan?

On the Taiwan question, the United States and Taiwan both have created many rumors and absurd remarks. The Taiwan question is the most important one in Sino-U.S. relations. Now the U.S. side wishes to mend damaged Sino-U.S. relations through high-level dialogues. There is no objection to dialogue, but if dialogue is not matched by action, then to just talk and not act will be a waste of time.

Northeast Asia

Japanese People Said 'Shocked' by War Crimes

OW0308071595 Beijing XINHUA in English
0607 GMT 3 Aug 95

[FBIS Transcribed Text] Changchun, August 3 (XINHUA) — A few days ago, a Japanese girl knelt in front of the remains of Chinese children massacred by Japanese invaders half a century ago, weeping and murmuring, "I never knew the Japanese had committed such crimes. I feel ashamed."

She is one of the over 60,000 Japanese who, over the past decade, have visited the exhibition center featuring the war crimes committed by Japan during its occupation of northeast China from 1932 to 1945.

The exhibition is located in the former palace of China's last emperor, Puyi, when he was the puppet ruler of "Manchukuo", a political entity set up by the Japanese invaders in what are now the three northeast China provinces of Heilongjiang, Jilin and Liaoning.

After the founding of the People's Republic of China in 1949 part of the palace, located in this capital of Jilin, was transformed into a war museum. Since its re-opening in 1982 the palace has received more than 80,000 overseas visitors, of whom over 80 percent were from Japan.

Almost all Japanese visitors to Changchun visit the palace, according to the curator of the museum.

He said the majority of the Japanese visitors are young people born in the 1950s and 1960s, who have little

access to the truth about the Japanese invasion of China while in their own country. And the visit to the museum comes as a revelation for many of them, who are shocked and grieved by the barbarities committed by their countrymen half a century ago.

An actress named Ryoko Watanabe left these words in the visitors' book: "I never knew that Japanese used to be such demonic murderers until my visit here, and I am deeply ashamed as a Japanese."

About 100,000 Japanese nationals lived in Changchun during the Japanese occupation of the region, and some of them have come back to revisit the city.

Having personally experienced the nightmares of the war, and witnessed the sufferings of the Chinese people, they also harbor a deep-rooted hatred of the war. It is not rare to see white-haired Japanese weep in front of the exhibits.

Masao Koshi, a former Japanese war criminal absolved by the Chinese government, has devoted himself to the cause of promoting friendship between the Japanese and Chinese peoples since his release.

On each of his three trips to China he visited the museum where a photo of war criminals was on display. He would point to himself in the photo and said, "As a former war criminal, I am grateful to the Chinese people, and I want to serve the cause of Sino-Japanese friendship to acquire peace for my own conscience."

However, discord occurs now and then, disturbing the anti-war mood prevailing in the place. Once two aged Japanese visitors bowed deferentially in front of the picture of the headquarters of the Kwantung Army, an action which earned them the contempt and disapproval of other visitors present.

"We should endeavor to work for lasting friendship and unity between Japan and China, and for the eradication of all wars." This comment, left by Mituo Obashi, a member of a non-government anti-war group, is typical of the wishes shared by all peace-loving people in China and Japan.

Southeast Asia & Pacific

Wang Guangying Meets Rangoon Mayor

OW2907134495 Beijing XINHUA in English
1327 GMT 29 Jul 95

[FBIS Transcribed Text] Beijing, July 29 (XINHUA) — Wang Guangying, vice-chairman of China's National People's Congress (NPC) Standing Committee, met with U Ko Lay, Mayor of Yangon City of Myanmar

[Burma], and his party at the Great Hall of the People here today.

U, leading a Yangon government delegation, arrived here July 26 at the invitation of the Beijing municipal government.

Burmese Minister To Attend Kunming Trade Fair

*OW0108145895 Beijing XINHUA in English
1446 GMT 1 Aug 95*

[FBIS Transcribed Text] Yangon [Rangoon], August 1 (XINHUA) — Myanmar [Burma] Minister for Trade Lieutenant General Tun Kyi left here this evening by land route for Kunming in southern China.

Tun Kyi and his 150-member delegation will attend a trade fair held in Kunming from August 8 to 16.

The Myanmar minister will also go to Beijing at the invitation of Chinese Minister of Foreign Economic Relations and Trade Wu Yi.

It was learnt that the two ministers will have discussions on promotion of trade and economic cooperation between the two countries.

Cambodian King Visits Beijing

Meets Qiao Shi

*OW0208133195 Beijing XINHUA in English
1309 GMT 2 Aug 95*

[FBIS Transcribed Text] Beijing, August 2 (XINHUA) — Qiao Shi, chairman of China's National People's Congress (NPC) Standing Committee, and his wife Yu Wen, met with and had a cordial conversation here today with Norodom Sihanouk, King of Cambodia, and Queen Norodom Monineath Sihanouk.

Qiao stressed that China attaches great importance to the Sino-Cambodian friendly relations, and would like to conduct overall cooperation with Cambodia on the basis of the Five Principles of the Peaceful Co-existence.

He spoke highly of Sihanouk as a leader profoundly respected and loved by the Cambodian people. Sihanouk had made indelible contributions to the independence, peace and unity of Cambodia in the past decades.

He expressed his belief that under the leadership of King Sihanouk, the Cambodian Government and people would make more achievements on the road of reconstruction and development.

Sihanouk recalled the development of the bilateral friendly relations, and expressed his thanks to China for its support and help to the country.

Sihanouk is here for regular medical check-up.

Leaves Beijing

*OW0308063395 Beijing XINHUA in English
0617 GMT 3 Aug 95*

[FBIS Transcribed Text] Beijing, August 3 (XINHUA) — Cambodian King Norodom Sihanouk and Queen Norodom Monineath Sihanouk left here for home by a special plane today.

Chinese Vice-Minister of Foreign Affairs Li Zhaoxing, Cambodian Ambassador to China Khek Sysoda, and Ambassador of the Democratic People's Republic of Korea to China Chu Chang-chun saw them off at the airport.

Returns Home

*OW0308104195 Beijing XINHUA in English
0908 GMT 3 Aug 95*

[FBIS Transcribed Text] Phnom Penh, August 3 (XINHUA) — King Norodom Sihanouk and Queen Norodom Minieath Sihanouk returned to Cambodia at 1:00 P.M. (local time) today after his medical check-up in China.

Sihanouk went to Beijing on June 29. Samdech Chea Sim, Chairman of the National Assembly, Co-Prime Ministers Norodom Ranariddh and Hun Sen welcomed the King and the Queen at the Pochentong International Airport.

The King is expected to meet with U.S. Secretary of State Warren Christopher at the Royal Palace Friday evening.

Australia To Expand Education, Training Ties

*OW3107121695 Beijing XINHUA in English
1207 GMT 31 Jul 95*

[FBIS Transcribed Text] Beijing, July 31 (XINHUA) — Visiting Australian Minister for Employment, Education and Training Simon Crean said here today that there exist broad prospects for his country and China to cooperate in research, education and training.

He made the remark here this afternoon during a meeting with Chinese Vice-Premier Li Lanqing, who expressed the belief that Crean's current China tour would enhance the two countries' links in education and labor training.

Prior to the meeting, Crean respectively signed a memorandum of understanding with Chinese Minister of Labor Li Boyong and some agreements on provision of educational and training packages with Wei Yu, Chinese vice-minister of State Education Commission (SEC).

Crean arrived here yesterday for a visit to China as guest of the SEC. He is also expected to visit Shanghai and Guangdong province.

Sub-Saharan Africa

Zhu Rongji Continues African Visit

Concludes Namibia Visit

OW0208114995 *Beijing XINHUA in English*
1123 GMT 2 Aug 95

[By Liu Yegang]

[FBIS Transcribed Text] Windhoek, August 2 (XINHUA) — Chinese Vice-Premier Zhu Rongji left here this morning for Angola after having concluded his five-day official visit to Namibia.

Namibian Deputy Prime Minister Hendrik Witbooi and some other cabinet officials bade farewell to Zhu and his entourage at the airport.

During the visit, Zhu Rongji held talks with Namibian Prime Minister Hage Geingob on bilateral relations and international issues, with future economic and trade cooperations between the two countries in particular.

Namibian President Sam Nujoma met Zhu and discussed with him means of further expanding economic and trade links between Namibia and China. Their discussion focused mainly on investment.

Zhu also exchanged views with his Namibian counterpart Witbooi and other government and parliament officials on mutual cooperation.

During the visit, the two governments signed three agreements to further develop economic cooperation.

Namibia is Zhu's fifth leg of his southern African tour which took him to Tanzania, Zimbabwe, Mozambique and Botswana. His next stops are Angola and Zambia.

Arrives in Angola

OW0308002495 *Beijing XINHUA in English*
1947 GMT 2 Aug 95

[FBIS Transcribed Text] Luanda, August 2 (XINHUA) — Angolan Acting President Franca Vam-Dunem and Prime Minister Marcolino Moco met separately with visiting Chinese Vice Premier Zhu Rongji here today.

During the meeting, President Vam-Dunem said Zhu's visit to Angola is important in bilateral relations and will surely promote the cooperation between the two countries.

Prime Minister Moco told the Chinese vice premier that the Angolan government persistently supports China in its struggle to safeguard state sovereignty and national unification.

The Chinese vice premier said he is pleased with the progress achieved in the Angolan peace process, hoping

that the Angolan government and all parties concerned will continue their close cooperation.

Lasting peace and stability in Angola will set the stage for more cooperation between China and Angola in various fields, Zhu said.

The Chinese government encourages Chinese enterprises to establish joint ventures in Angola, he added.

Zhu arrived here this morning from Namibia for a one-day official visit to Angola. He left here for Zambia this afternoon.

Angola is the sixth leg of Zhu's seven African nation tour, which also includes Tanzania, Zimbabwe, Mozambique, Botswana, Namibia and Zambia.

Arrives in Zambia

OW0308002595 *Beijing XINHUA in English*
2042 GMT 2 Aug 95

[By Qiu Xiaoyi]

[FBIS Transcribed Text] Lusaka, August 2 (XINHUA) — Chinese Vice Premier Zhu Rongji arrived here this evening to begin a three-day official goodwill visit to Zambia.

Vice Premier Zhu and his entourage were greeted at Lusaka International Airport by Zambian Vice President Godfrey Miyanda, several ministers and other high-ranking officials.

In a written statement at the airport, the vice premier said, "China and Zambia enjoy profound traditional friendship and close cooperation. The Chinese people have always harboured sincere and friendly sentiments towards the Zambian people."

"I hope my current visit will help further expand the already existing friendly relations and cooperation between our two countries," Zhu added.

Zhu is the first Chinese vice premier to visit the southern African country in the past decade.

During his stay here, Zhu is expected to meet with Zambian President Frederick Chiluba and hold official talks with Vice-president Godfrey Miyanda on bilateral and international issues of mutual concern.

Zambia is the last leg of Zhu's seven southern African tour, which has already taken him to Tanzania, Zimbabwe, Mozambique, Botswana, Namibia and Angola.

Delegation Delivers Donated Tractors to Kenya*OW0308002695 Beijing XINHUA in English
1953 GMT 2 Aug 95*

[FBIS Transcribed Text] Nairobi, August 2 (XINHUA) — Kenyan President Daniel arap Moi today received ten walking tractors donated by the Chinese government to the Kenyan government.

The tractors were handed over by head of a visiting Chinese trade and economic delegation Yang Wensheng at the State House here.

At the handing over ceremony, Yang Wensheng, who is also a Assistant Minister of Foreign Trade and Economic Cooperation, said these 10 tractors were a present from Chinese President Jiang Zemin to President Moi during the latter's visit to China last year.

He said they are an embodiment of the intimate friendship between the two leaders as well as a symbol of the strong attachment that the Chinese people feel towards the Kenyan people.

Yang Wensheng told President Moi that this type of tractor is very popular among Chinese farmers. "I hope that they will also suit Kenya's farming condition," he said

Thanking the Chinese government for the generous donation, President Moi said the donation is a further indication of the strong relations between the two countries.

He expressed the hope that an assembly line for the same kind of tractors will be established in Kenya. He also called on Chinese businessmen to take advantage of the favorable investment climate in Kenya and invest more in the country.

The seven-member Chinese delegation arrived here on July 31 for a four-day visit to Kenya. During their stay in the country, they held talks with Kenyan government officials on trade and economic cooperation between the two countries.

Li Peiyao Meets With Malawi Minister*OW0308102195 Beijing XINHUA in English
0906 GMT 3 Aug 95*

[FBIS Transcribed Text] Beijing, August 3 (XINHUA) — Li Peiyao, vice-chairman of China's National People's Congress (NPC) Standing Committee, met with Harry Thomson, minister without portfolio of Malawi, and his party here this afternoon.

Thomson and his party are here on a visit to China as guests of the Chinese People's Association for

Friendship with Foreign Countries. Apart from Beijing, they will also tour Shanghai and Guangdong Province.

West Europe**French Minister Meets Deputy Foreign Minister***OW2807040995 Beijing XINHUA in English
0106 GMT 28 Jul 95*

[FBIS Transcribed Text] Paris, July 27 (XINHUA) — Michel Barnier, the minister-delegate responsible for European affairs at the French Foreign Ministry, today met with visiting Chinese Deputy Foreign Minister Jiang Enzhu.

Barnier said France and China have improved their relations over the past year.

He expected the two countries to keep official contacts at high levels and further their economic and trade cooperation.

Jiang said China, which attaches great importance to France's role and influence in world affairs, would develop and expand its ties with France as well as other European Union members on the basis of equality, mutual respect and mutual benefit.

Sino-British Information Exchange Program Begins*OW2907120895 Beijing XINHUA in English
0837 GMT 29 Jul 95*

[FBIS Transcribed Text] Shanghai July 29 (XINHUA) — China and Britain have jointly sponsored a summer training course aimed at training a Chinese decision-making supporting system for the 21st century.

The five-day course (July 24-29) was sponsored by the IT-China, Fudan University, Shanghai Finance and Trading Office and the city's Planning Commission.

IT-China, an international research center, consists of information experts from departments, universities and enterprises in Britain, US, Canada, Singapore and other European countries.

The center is determined to boost China's industrialization drive as well as its information industry, and promote the exchanges and cooperation between China and other countries.

Professor Dilip Patel from South Bank University and Professor Barry Davies from Manchester University in Britain introduced advanced computer knowledge to Chinese technicians during the course.

Doctor Sun Yuan, chairman of IT-China, said, "This is one of the serials of such courses in China since 1992,

and it is to meet the demand of Chinese information industry in the 21st century."

He added that this program is being supported by both British and Chinese governments and relevant institutes and organizations under the European Community.

He also disclosed that a large-scale information training course will be held in Beijing next year.

Latin America & Caribbean

Military Delegation Ends Ecuador Visit

OW2807142795 Beijing XINHUA Domestic Service in Chinese 0859 GMT 26 Jul 95

[By reporter Zhang Guangsen (1728 1639 2773)]

[FBIS Translated Text] Quito, 25 Jul (XINHUA) — A seven-member Chinese military delegation, led by General Li Jing, deputy chief of the General Staff of the Chinese People's Liberation Army, wound up an official visit to Ecuador and departed Quito for home today.

General Li Jing and his delegation arrived in Ecuador on 20 July after visiting Bolivia and Peru.

During the visit, the delegation held a working meeting with Ecuador Defense Minister Alfonso Alarcon and senior leaders of the joint ground, naval, and air forces command; visited military academies and bases in Quito; and watched a military exercise.

Antigua, Barbuda Supports 'One China' Policy

OW2907032295 Beijing XINHUA in English 0245 GMT 29 Jul 95

[FBIS Transcribed Text] Caracas, July 28 (XINHUA) — Antigua and Barbuda Prime Minister Lester Bird reiterated Thursday [27 July] his government consistently applies One China policy and is pleased to see the imminent resumption of China's sovereignty over Hong Kong in 1997 and Macao in 1999.

According to a report received today from St. John's, the capital of Antigua and Barbuda, during a ceremony to start the construction of the Multi-purpose Cultural Exhibitions Center in St. John, Prime Minister Bird expressed his hope that the reunification process of China be completed soon.

The prime minister praised the friendship between his country and China, and added that since the establishment of diplomatic ties, the two countries have persisted in their mutual support and reciprocal assistance. He said the building of the Cultural Exhibitions Center is the realization of a dream of the Antigua and Barbuda people.

Chinese Ambassador Jiang Chengzong said he is convinced economic cooperation and commercial contacts perspectives will be expanded by the steady development of friendly relations between the two countries.

The Multi-Purpose Cultural Exhibitions Center, to be built with the support and technical assistance of China is a pioneer project of the general development plan of the capital.

Article Hails Sino-Cuban Friendship

HK0308050995 Beijing RENMIN RIBAO in Chinese 16 Jun 95 p 6

["Newsletter From Cuba" by staff reporter Zhang Cangji (1727 0221 0679): "Deep-Rooted Sino-Cuban Friendship"]

[FBIS Translated Text] Havana, 14 Jun (RENMIN RIBAO)—Havana is usually known as the "Pearl of the Caribbean." Magnificent ancient castles, palace-like churches, and various kinds of European buildings are recorded with a history of over 400 years. In the tropical sun, row upon row of palm trees, the national tree of Cuba, stand erect symbolizing the unyielding spirit of independence of the Cuban people.

On 12 June, Li Ruihuan, chairman of the National Committee of the Chinese People's Political Consultative Conference, bringing with him the mutual understanding and friendship between China and Latin American countries, stepped onto Cuba, the largest island state in the Caribbean. In the past three days, Chairman Li Ruihuan has experienced the strong feelings of friendship of the Cuban people for the Chinese people. Ricardo Alarcon de Quesada, president of the Cuban National Assembly of People's Power, met Chairman Li at the airport, expressing the wishes of the Cuban people in promoting mutual understanding and friendship between the Cuban people and the Chinese people. On the night of Chairman Li's arrival in Cuba, Fidel Castro, president of the Cuban Council of State, attended the reception held by President Alarcon in honor of Chairman Li's visit and had a two-hour talk with Chairman Li. During the talk, Chairman Li emphasized that any leader who is responsible for his state, nation, people, ancestors, and posterity should regard safeguarding the state's independence and sovereignty as his first and foremost task. On the evening of 14 June, President Castro was invited to the reception held by Ambassador to Cuba Xu Yicong in honor of Chairman Li's visit to Cuba, and the two leaders met again and had a cordial talk [qin qie jiao tan 6024 04340074 6151].

The Cuban media also paid great attention to Chairman Li's visit. All the mass media featured full and timely

reports about Chairman Li's activities in Cuba. Radio and TV stations had reports in their daily news programs.

During his visit, Chairman Li also met with Raul Castro, vice president of the Cuban Council of State, Alarcon, president of the Cuban National Assembly of People's Power, Roberto Robaina, minister of foreign affairs, and other Cuban leaders. During their meetings, Chairman Li and Cuban leaders spoke highly of the traditional friendship between the Chinese and Cuban peoples.

On the afternoon of 13 June, the Havana City Government held a grand ceremony, conferring on Chairman Li the title of the "Distinguished Guest of Havana City." Peng Xiantian, editor-in-chief of GUANGHUA BAO [Brilliance News], a Chinese newspaper in Cuba, said to this reporter that China and Cuba had a long friendship. Since the middle of the last century, Chinese laborers had traveled across oceans and seas to Cuba, and, side by side with the Cuban people, developed and built this island country and waged a long-term struggle for independence. The old overseas Chinese told this reporter that a monument was built at the center of Havana commemorating the Chinese laborers who died in the struggles. A famous saying is engraved on the monument both in Chinese and Spanish: "None of the Cuban Chinese is a deserter; none of the Cuban Chinese is a traitor." He said, "The Chinese in Cuba are all proud of it. Today Chairman Li was conferred the title of distinguished guest, and we are all proud of it."

On 28 September 1960, Cuba established diplomatic relations with China, the first Latin American country to do so. In the 35 years since then, under the joint efforts of both sides, there have been frequent exchanges of vis-

its between high-ranking officials of both countries, and exchanges and cooperation in economic fields, trade, science, and technology have expanded. In his talks with Cuban leaders, Chairman Li clearly indicated that China is willing to make further efforts to strengthen the friendly and cooperative relations between the two countries in all fields on the basis of the five principles of peaceful coexistence. Chairman Li expressed his admiration for the Cuban people's efforts to withstand external pressures and explore the road to development suited to their national conditions under extremely difficult conditions and over a long period of time.

Although the national conditions of China and Cuba are different, the two countries have many points in common. They have cooperated and supported each other on many international occasions. For their own national independence and liberation, the peoples of the two countries have waged long-term arduous struggles. Both countries are adopting the policies of reform and opening to the outside world. Though Cuba is facing various difficulties, the Cuban Government has achieved some successes through various measures to overcome difficulties, and its economic situation is improving. Robaina, Cuban minister of foreign affairs, said to Chairman Li that the Chinese people can rest assured that the Cuban people are determined to overcome all difficulties and will find a way out.

The Cuban people's spirit of upholding revolutionary conviction in the face of difficulties and daring to overcome all difficulties deeply impressed the Chinese guests. Nurtured by the peoples and leaders of both countries, the tree of Sino-Cuban friendship has struck deep roots and grown luxuriantly.

Political & Social

Hu Jintao Gives Lecture to Leading Cadres

OW0208115395 Beijing XINHUA Domestic Service
in Chinese 1017 GMT 21 Jul 95

[FBIS Translated Text] Beijing, 21 Jul (XINHUA) — While giving a party lecture to leading cadres at the ministerial level of organs directly under the CPC Central Committee and central government organs at Huairentang, Zhongnanhai on 21 July, Hu Jintao, member of the CPC Central Committee Political Bureau Standing Committee and secretary of the Secretariat, stressed that possessing a distinct party spirit is a fundamental question of a qualified communist and is all the more a fundamental question of a qualified party leading cadre. Leading comrades at all levels, high-level cadres in particular, must have a thorough understanding of the environment they are in today and of the historical responsibilities they shoulder, take the lead in strengthening the tempering of party spirit, firmly establish the Marxist world outlook, and realize the values of life as communists in working for the great cause of the party and the people.

Hu Jintao pointed out that the historical mighty current of reform and opening up to the outside world in China, like big waves washing sand for gold, has already brought up, and will continue to bring up, large numbers of advanced elements and outstanding leading personnel who meet the needs of the great cause of socialist modernization and has at the same time exposed some people who are weak-willed. Whether or not one is able to firmly stand at the forefront of the times and do a good job in leading this great historical change is a severe test to leading comrades at various levels. This urgently demands that all of us should comprehensively improve our quality and strengthen the tempering of our party spirit. He hoped that party leading cadres will temper and improve themselves in accordance with the requirements for the quality of statesmen forwarded by the Central Committee. At present, it is necessary to stress doing well in four aspects, that is, adhering to a correct political orientation and firmly taking the road of building socialism with Chinese characteristics; keeping firmly in mind the fundamental purpose of the party and wholeheartedly working for the interests of the people; strengthening the sense of organization and strictly acting according to the party's established practice; and carrying forward the spirit of arduous struggle and resolutely struggling against various kinds of negative and corrupt phenomena.

Hu Jintao said that in strengthening a communist's party spirit, the core is to firmly establish the Marxist world outlook. This issue has a bearing on all other aspects.

It determines the pursuit and road of our lives; and governs our realm of thought, moral values, and code of conduct. In the course of reform and opening up to the outside world, extensive and profound changes are bound to take place in society, ideology, and culture. Many new and correct ideological concepts will emerge, and at the same time some erroneous things will also emerge. We communists wholeheartedly work for the interests of the people, and the fundamental interest of the overwhelming majority of the people is the orientation of our most fundamental values. Leading cadres must take the Marxist world outlook and outlook on life as guidance, and persist in taking "whether or not the people support," "whether or not the people agree," "whether or not the people are happy," and "whether or not the people approve" as the starting point and basis for distinguishing and assessing right or wrong, good or bad, beauty or ugliness, merits or demerits, gains or losses, hardships or joys, and glory or disgrace. They should never drift along with erroneous and decadent ideas and unhealthy practices. Only in this way will they be worthy of the name of communist and party cadre, and only thus will they be able to unite and bring the people together to constantly push forward the great cause of building socialism with Chinese characteristics.

Today's party lecture was jointly organized by the CPC Central Committee Organization Department, the Work Committee of Organs Under the Central Committee, and the Work Committee of Central Government Organs. Zhang Quanqing, head of the Central Committee Organization Department, presided over the lecture.

Attending the party lecture were Luo Gan, state councillor and secretary of the Work Committee of Central Government Organs; Zeng Qinghong, director of the CPC Central Committee General Office and secretary of the Work Committee for Organs Under the Central Committee; party-member leading cadres at and above the vice minister level of organs under the Central Committee and central government organs; cadres at and above the army level of the People's Liberation Army garrisoned in Beijing; and leading cadres concerned of the Armed Police Headquarters and Beijing municipality, totalling 1,100 people.

Hu Jintao Addresses Tibet Cadres in Qinghai

OW0208132195 Lhasa Tibet Television Network
in Mandarin 1200 GMT 21 Jul 95

[From the "Regional News Hookup" program; announcer-read report over video clips]

[FBIS Translated Text] [Video shows Hu Jintao addressing about a dozen attendees, including Guo Jinlong, executive deputy secretary of the Tibet Au-

onomous Regional CPC Committee, who are seated at a round table with mineral water and fruit on it; some attendees take notes as Hu speaks]

During his recent inspection of Golmud, Hu Jintao, a member of the CPC Central Committee Political Bureau Standing Committee and Secretariat, paid a special visit to cadres and workers of the Tibet Office and leading cadres of various units of the Tibet Base in Golmud. Affirming contributions made by cadres and workers of Tibet Base in Golmud toward Tibet's stability and development, Comrade Hu Jintao said: Golmud is an important interchange along the Qinghai-Tibet line; a major materials transshipping base; and a transportation, oil, and communications hub for Tibet. All these not only show the strategic location of Golmud, but also the important role played by various autonomous region units in Golmud in Tibet's economic development and social progress. For the past several decades, batches and batches of comrades have been carrying forward the spirit of hard pioneering work and selfless dedication in Golmud, where they quietly work and struggle to positively contribute to Tibet's liberation, suppression of rebellion, democratic reform, and socialist modernization. The earthshaking changes in Tibet in the past several decades and Tibet's success in reform and construction are just results of the effort and hard work of the comrades, for which they should claim credit.

During the discussions, Hu Jintao gave important instructions on Tibet's social stability, economic development, and preparations of the fifth autonomous regional party congress. He said: This year is the final year of the Eighth Five-Year-Plan and the 30th anniversary of the establishment of the autonomous region. Tibet's current situation is fine. In light of implementing the guidelines of the Third Central Forum on Work in Tibet, economic construction has been accelerated, social stability maintained, nationalities united, and society improved. Despite Western hostile forces' attempts to contain China by playing the Tibet card and a small number of split-tists within and outside Tibet conducting activities to split the motherland, their plot will not succeed. The 1.2 billion Chinese people, including the Zang people, will never allow anyone to split or cause troubles to China.

Hu Jintao emphasized: It is necessary to further implement a series of central guidelines on work in Tibet; tightly grasp the two major tasks of development and stability; exclude interference; unswervingly persist in accelerating Tibet's economic development with economic construction as its focal point; continuously improve the livelihood of the Tibetan people; and further enhance our economic strength. Through these, a founda-

tion will be laid for lasting political stability and the socialist system will be further consolidated — a common wish of the people of various nationalities in Tibet. Currently, special efforts must be made to ensure success of the 62 projects contributed by the central government and various fraternal provinces, municipalities, and autonomous regions to grandly mark Tibet's 30th anniversary, making sure that all projects will be completed in time and with high quality. On the other hand, we should maintain sharp vigilance and go all out to preserve social stability. As the foundation of stability lies in the masses, it is necessary to intensify propaganda and education and enhance awareness in maintaining stability among the vast numbers of cadres and the masses. In the meantime, efforts should be made to strengthen grass roots organizations to fully bring out the political superiority of party organization.

Hu Jintao pointed out: To improve work on Tibet, it is essential to arouse the enthusiasm of cadres and the masses of various nationalities, strengthen ethnic unity, consolidate the two fine situations, fully implement the party's policies on nationalities and religions, and pay attention to the role of patriotic people.

In conclusion, Hu Jintao said: To do a good job in work related to Tibet, the key lies in strengthening and improving party leadership and in bringing out the fighting force of party organization and the pioneering, exemplary role of party members. The fifth autonomous regional party congress — a major event in Tibet's political life — will be held soon. A successful party congress will be very significant to consolidating the strength of the vast numbers of cadres and the masses across the region; to carrying out the two major tasks of development and stability with economic construction as its focal point; and to accelerating the pace of Tibet's reform, opening up, and modernization drive. It will also bring a positive impact both domestically and internationally.

Comrade Hu Jintao forwarded the following three demands to ensure a successful fifth party congress: First, it is necessary to take Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics, the party's basic line, and a series of central guidance on Tibet as guidance to unify the thinking of the vast numbers of cadres and party members throughout the regions. Second, it is necessary to persist in taking the masses' line; give full play to democracy; and make all-round, in-depth preparations. Third, leading comrades at various levels in all prefectures, cities, and counties in the autonomous region should keep in step; be fully united; work as one; and highlight party spirit, principles, the overall situation, and discipline to ensure a smooth, successful party congress.

Hu Jintao also gave important instructions on how the Tibet Base at Golmud can do a better job in transforming functions and improving services under the new situation of developing a socialist market economy. He also extended warm greetings to cadres and workers in Golmud Base.

Comrade Guo Jinlong, executive deputy secretary of the autonomous regional party committee, attended the discussion meeting.

Illicit Transport Fees Said Hurting Economy

OW0208142595 Beijing XINHUA Domestic Service
in Chinese 0111 GMT 23 Jul 95

[Commentary by ZHONGGUO JIAOTONG BAO [CHINA COMMUNICATIONS NEWSPAPER] reporter Zhao Aiguo (6392 1947 0948) and XINHUA reporter Sun Jie (1327 2638)]

[FBIS Translated Text] Beijing, 23 Jul (XINHUA) — The 1.1 million km of highway stretching over 9.6 million sq km of land in China occupy an important strategic position in the national economy's development. Not long ago, the vicious hand of wanton fee collection stretched to the arteries of highways, and some departments wantonly set up checkpoints, collected fees, and imposed fines on state and provincial highways. This has seriously affected reform, opening up to the outside world, and economic development.

Recently, the State Council sent three inspection groups to inspect some state and provincial highways. The findings they brought back from various localities show that since the national telephone meeting to stop wanton fee collection on highways held on 18 April this year, central departments concerned and various local governments have jointly grasped the matter, and the propaganda offensive and efforts made to solve the problem have reached an unprecedented scale. Order on highways has begun to improve, most illegal checkpoints have been removed, the management of traffic fee collection points has universally been standardized, and most traffic policemen on duty have acted according to law. Drivers have universally reported that wanton fee collection has been curbed in the last two months or more.

However, some problems discovered during the inspection give much food for thought. The problem of an excessive number of departments setting up checkpoints on highways has not been thoroughly solved. The State Council demanded that various localities remove all illegal checkpoints before the end of May and that only the communications, public security, and forestry departments can have inspection points on highways. In some provinces, the problem of an excessive number of

departments setting up checkpoints on highways is still quite serious. Under various pretexts, some departments are not willing to remove illegal checkpoints and some localities have openly applied for setting up inspection points other than those permitted by State Council documents or have set up checkpoints without authorization even when they are asked not to. Some localities have wantonly collected fees in secret, openly removed checkpoints but secretly set up new ones, moved checkpoints from main roads to branch roads, or collected fees at night. In some provinces, the problem of wanton fee collection has been stopped in some localities, but has newly appeared in others. For example, in Guangdong's Luoding city, many departments set up inspection points on highways this year. Even the family planning department stopped cars to inspect marriage certificates and permits for child birth and imposed fines on those who did not have such certificates. Also, the problem of forcing people to wash their cars in urban areas was also discovered during the inspection, which has recently been regarded as wanton fee collection. This problem remains quite serious.

From these problems of wanton fee collection on state and provincial highways, we can easily see how the problem is stubborn and complicated, and repeatedly occurs and this increases the difficulty of dealing with the problem.

Some people say that wanton fee collection on highways is a "stinky beancurd," which smells bad but tastes good. However, the people regard wanton fee collection on highways as a "disease that is most difficult to cure" and is a serious corrupt phenomenon, the emergence of which is induced by the interests of some localities and departments. Its serious harmfulness is rare.

Why is it difficult to stop wanton fee collection on highways? Many facts have shown that the difficulty comes from the wrong ideological understanding of some comrades, leading comrades in particular, and from protectionism of localities and departments resulting from such wrong understanding. Some comrades erroneously think that although wanton fee collection is very harmful, it harms only the interests of the overall situation and not those of their respective localities or departments. Those who collect fees will benefit, while those who do not suffer losses. However, facts show just the opposite. The first to be affected by wanton fee collection on highways are precisely the localities and departments that collect them. Sanligang, Suizhou City, Hubei, was once a noted mushroom market and its annual business volume reached as high as over 50 million yuan. Driven by the desire to make gains, some local departments set up eight timber inspection centers along a 70-km long road. They wantonly collected

fees from, and imposed fines on, trucks that transported mushrooms. As a result, no cars dared pass that road. A very good mushroom market thus declined because of a break in the circulation link. This caused a tremendous loss to the local government and people. In some places in Hunan, the wanton fee collection problem was once very serious. This, together with road bandits and tyrants, deterred drivers from going to Hunan. For some time, Hunan's image and the economic development of the province was seriously affected.

The erroneous perception of wanton fee collection along highways as a stinking beancurd actually separates the overall interests from local interests and sets them against each other — an attempt to find an excuse and to shield wantonly collecting fees. Practice shows that wanton fee collection along highways is not a stinking beancurd, but a glass of poison wine. Localities and departments who expect to make money by wantonly collecting fees are actually drinking poison to quench their thirst, and the result is that both they and the state suffer losses.

The State Council inspection group pointed out during its inspection that fully understanding the seriousness and damaging effects of wanton fee collection and the importance and urgency of the efforts to address the issue is still the key to further applying ourselves to addressing the issue. We should use facts to educate the masses of cadres, especially leading cadres, to enable them to truly realize the problem's serious consequences. Only by unifying the understanding of cadres at all levels on the guidelines of relevant State Council documents will wanton fee collection arouse everyone's hatred, will everyone try to wipe it out, and will working to deal with it become much easier.

The basic experience gained in dealing with wanton fee collection along state and provincial highways across the country is that a strong dose of medicine must be used to cure the chronic disease. The various localities' experiences and ways to deal with the problem, as learned by the State Council inspection group, can be summarized as follows:

— The top leaders of localities must attach importance to the issue and personally deal with it. The fact that the Party Central Committee and State Council have committed to governments at all levels the responsibility of fully addressing the issue shows the central authorities' determination to solve the problem. The top leaders of localities have been given the heavy responsibility, but it makes a lot of difference whether top leaders personally deal with the issue or they assign others to do it. One thing in common for all provinces that have successfully dealt with the problem is that the provincial CPC

committee secretaries and governors of these provinces took the lead in dealing with the problem and persistently dealt with it.

— Once they are detected, cases of wanton fee collection must be promptly, seriously, and resolutely dealt with. The problem has seriously disrupted normal highway transport and the commodities circulation order; and has directly affected reform, opening up, and the socialist market economy's functioning, which is against the law. The masses call those wantonly collecting fees along highways "hijackers in uniform." Conniving at or disregarding the problem is adding fuel to the fire. Starting from investigating related cases, concerned provinces not only investigated those involved in the cases, but also disciplined concerned leaders in charge. By doing so, handling one case usually yielded widespread results.

— Supervision by the public and media and supervision over law enforcement must be strengthened to form a complete supervision network. Developing and refining supervision mechanisms is a way to solve both temporary and more deep-rooted problems. Some provinces effectively dealt with the problem by fully using the news media to launch mass campaigns and publicize typical cases. Henan appointed more than 700 drivers as highway work-style supervisors and provided them the necessary equipment. Guangdong formed special teams to supervise law enforcement and gave them appropriate authority. The teams investigated and handled large numbers of cases within a short period, some of which were tough ones that had not been cracked for a long time.

— Both stopgap and fundamental measures must be taken to address the problem, with efforts focusing on dealing with deep-rooted problems, to gradually ensure highway order according to law. Only by solving fundamental problems can we eradicate root causes, which is our ultimate goal in addressing the wanton fee collection problem. In dealing with the issue, we must solve both temporary and more deep-rooted problems. The main ways the various provinces successfully used to deal with fundamental problems include strengthening management of sources, establishing regulations and systems to regularize law enforcement personnel's behavior, separating fines from money generated from tickets, separating revenues from expenditures, and providing better training for highway personnel.

Currently, a good trend has been formed across the country in dealing with wanton fee collection along highways. The central authorities have placed great importance on the issue, the public has shown concern for it, and all social sectors have given their support.

All these things have provided a good opportunity to use a strong dose of medicine to cure the chronic disease. Concerned State Council departments have urged all localities to further deepen their understanding, accelerate their efforts, deal with both temporary and more deep-rooted problems, unremittingly deal with the issue, and secure and amplify the results achieved to ensure that the targets set by the State Council for this year can be achieved by the end of the year.

Jilin Presses Anti-Corruption Campaign

OW0208145695 Beijing XINHUA in English
1441 GMT 2 Aug 95

[FBIS Transcribed Text] Changchun, August 2 (XINHUA) — A city deputy party chief in northeastern Jilin Province lied to his supervisors in a work report about self-discipline and self-examination for corruption.

But a provincial anti-corruption inspection team discovered that he had taken bribes and enjoyed the company of beautiful women, after they were told of his behavior by workers.

For this he was sent to court for prosecution.

This was only one of the cases resulting from the work of the anti-corruption team in Jilin, where they investigated 203 cadres at the city level after soliciting the opinions of residents and examining related materials and documents.

According to a public opinion poll, 81 percent of the officials are clean and honest, 16 percent just so so, and three percent bad.

Wu Wenchang, an official with the group said that most of the 203 officials investigated can be trusted, 35 of them having refused bribes worth 60,000 yuan.

The major problems that still exist are that some broke rules in buying luxury houses, cars, or in taking part in ceremonies and accepting gifts, he said.

During the anti-corruption inspection, 14 officials were found to be guilty of such actions, and 4 were sent to court for prosecution.

He also said that the inspections have helped tighten ties between officials and the public by listening to talk about official corruption. In fact, 26 officials who were accused of various kinds of wrongdoing were proven to be innocent of the charges, he said.

Hubei Official Sacked for Illegal Stock Trading

OW0208153195 Beijing XINHUA in English
1520 GMT 2 Aug 95

[FBIS Transcribed Text] Beijing, August 2 (XINHUA) — A high-ranking official in central China's Hubei

Province was dismissed from his post for illegal stock-trading and accepting large sums of money.

Chen Shuiwen, former vice-governor of Hubei Province, was removed from his post on July 28, following a decision made by the Standing Committee of the Provincial People's Congress.

In 1992, Chen, then director of the provincial finance department, bought shares under the guise of an individual using 5,000 yuan of certificate bonds and 5,000 yuan in public funds.

Later the same year, he got 20,000 yuan in public funds disguised as stock profits and 2,000 yuan from an individual.

Fan Xinde, a spokesman for the Communist Party of China (CPC) Central Commission for Discipline Inspection and the Ministry of Supervision, said at a press conference here today that Chen got involved in illegal stock trading using public funds.

"As director of the provincial finance department, he should know that according to regulations only a private individual can invest in the stock market," Fan said.

Chen failed to correct his wrongdoings even after the second plenary meeting of the CPC Central Commission for Discipline Inspection, held in August, 1993, called for officials at or above the county (division) level to do a self-investigation and self-correction in five problem areas, including illegal stock-trading, Fan said.

He even tried to mask his mistakes and defraud the investigation team looking into his case.

Science & Technology

Zhu Rongji Hails Digital Exchange Breakthroughs

OW0208233895 Beijing Central People's Radio
Network in Mandarin 2230 GMT 23 Jul 95

[Roundup by station reporter Song Jian: "A Refreshing Breeze"; from the "News and Press Review" program]

[FBIS Translated Excerpt] Since the beginning of this year, China has achieved a series of major breakthroughs in digitally controlled telephone exchanges. In April, the No. 08 Exchange passed a production approval test at the (Huawei) Company in Shenzhen. Shortly afterward, the No. 601 Exchange, which has advanced to the level of the early 1990s, passed a technical test at the No. 54 Institute of the Ministry of Electronics Industry; and in June, an SB30 super digitally controlled exchange passed a production approval test at the (Datang) Company in Xian. This series of achievements

symbolizes the rapid rise of China's national communications industry. Vice Premier Zhu Rongji has gleefully termed these research results a refreshing breeze in China's high-tech realm. [passage omitted]

Inner Mongolia Chairman on Science, Technology

SK0308054095 Hohhot NEIMENGGU RIBAO
in Chinese 8 Jul 95 p 1

[FBIS Translated Text] It is imperative to implement conscientiously the guidelines of the national conference on science and technology, implement comprehensively the thinking that science and technology are the primary productive forces, deepen the reform of the scientific and technological system, accelerate the transformation of animal husbandry scientific and technological findings, upgrade our animal husbandry's scientific and technological contents, and follow the path of rejuvenating animal husbandry and the region with science and technology. This was what Wu Liji, chairman of the regional government, stressed when talking with the specialists at the Inner Mongolia Institute of Animal Husbandry Science.

On 6 July, led by Wu Liji, the responsible comrades of the general office of the regional government, the regional planning committee, the regional financial department, and the regional animal husbandry department went deep to the Inner Mongolia Institute of Animal Husbandry Science and convened a forum of specialists. At the forum, the participants jointly studied and explored issues concerning the deepening of the scientific and technological system, the acceleration of the pace of transforming scientific and technological findings, the increase in input to science and technology, and the upgrading of the region's animal husbandry science and technology to a new height. The forum was convened amid an extremely warm atmosphere. The specialists talked freely and set forth many valuable opinions.

Wu Liji fully affirmed the institute's key role in developing the region's animal husbandry. He said: The Inner Mongolia Institute of Animal Husbandry is an animal husbandry scientific research organization that produces an appropriate impact on the whole country. Over the past 40 years or so, particularly since the founding of the PRC, scientific and technological personnel, cadres, and the staff and workers in the institute have arduously done pioneering work, gone all out to tackle key scientific and technological problems, selflessly been devoted to their work, studied and developed many scientific research findings, cultivated and brought up a large number of qualified scientists and technicians, and made great contributions to the region's animal husbandry science and the development of animal husbandry in the region. We may say that

without the broad masses of scientific and technological workers' industrious efforts, today's animal husbandry would not exist in Inner Mongolia. On behalf of the regional party committee and government, Wu Liji extended his lofty regards and heartfelt thanks to the broad masses of scientific and technological personnel who are working in the forefront of the region's animal husbandry.

Wu Liji pointed out: Inner Mongolia is a key animal husbandry base in our country. Now, the region has 57 million head of animals. Making efforts to increase animal husbandry's scientific and technological contents and upgrading animal husbandry's economic growth quality is a key way to accelerate the modernization of our animal husbandry and the realization of the target for helping the peasants and the herdsmen extricate themselves from poverty and seek wealth. The leaders at various levels and the broad masses of scientific and technological workers should deeply understand and implement Comrade Deng Xiaoping's thinking that "science and technology are the primary productive forces," firmly foster the awareness of rejuvenating the region with science and technology, and adopt forceful measures to promote the region's scientific and technological progress. Animal husbandry is Inner Mongolia's traditional and pillar industry. We should rely on scientific and technological progress to make further greater achievements in and greater contributions to developing animal husbandry.

Wu Liji stressed: Scientific research organizations' leaders and the broad masses of scientific and technological personnel should further emancipate the mind and change ideas. Under the conditions for setting up the socialist market economic system, we are confronted with many new situations and new questions in carrying out the scientific research work, particularly in transforming and popularizing scientific and technological findings. So, we should study and make explorations in these aspects.

We should widen our thinking and have more daring in these aspects. In line with the principle of "holding fast with one hand and leaving the whole field open," we should enliven scientific research organizations; transform, popularize, and enliven scientific and technological findings; have a large number of technological development and technological service organizations enter markets; and better combine science and technology with production through the market mechanism.

Wu Liji pointed out: We should further deepen the reform of the scientific and technological system. First, we should carry out the institute director responsibility system so as to have scientific research institutes fully enjoy

their decision-making power and create a lax environment for scientific and technological personnel. Second, we should balance the management system. The scientific research institutes of the same categories across the region should strengthen coordination and cooperation; proceed from their own advantages; reasonably divide work; ensure that particular emphasis should be placed on each job; avoid the waste of human, financial, and material resources; and gain greater economic and social benefits from the limited amount of input to science and technology. Third, we should set up and perfect an encouragement mechanism to transform scientific and technological findings and popularize technologies and should bring into full play the enthusiasm of scientific research organizations, scientific and technological personnel, and the grass roots organizations for popularization of agricultural and animal husbandry technologies.

Wu Liji stressed: We should accelerate the transformation of scientific and technological findings and strive to upgrade our animal husbandry's scientific and technological findings. Now, the rate of transforming our scientific and technological findings is very low. Many findings cannot be applied to production or produce economic results. This problem should be solved urgently. The governments at various levels should take the transformation of scientific and technological findings as an important task, firmly attend to them, and strive to make successes in this regard in the next two to three years. The regional departments concerned should study how to coordinate the efficiency from transformation of scientific and technological findings with the contributions by scientific and technological personnel and award the scientific and technological personnel with contributions to the development and popularization of science and technology and the transformation of scientific and technological findings.

Wu Liji pointed out: The governments at various levels should create a good environment for developing science and technology. The society as a whole should respect knowledge, talented persons, and scientific and technological personnel. Now our region has nearly 200 scientific research and development organizations and 455,000 specialized technicians of various categories. They are our region's precious wealth. The leaders at various levels should fully cherish and protect scientific and technological personnel, care for and support their work, persistently do concrete deeds for them, solve their difficulties in a timely manner, and actively act as rear-service personnel in charge of scientific and technological work. The broad masses of animal husbandry scientific and technological personnel should undertake the historical mission of rejuvenating animal husbandry and the region with science and technology, outstand-

ingly fulfill their own tasks, and devote their wisdom and intelligence to the development of animal husbandry in the region.

Major Optical Cable Project Completed Early

OW0308011295 Beijing XINHUA Domestic Service in Chinese 1333 GMT 24 Jul 95

[By reporter Yue Lincai (1471 2652 2088) and correspondent Zhong Qingqiang (6988 3237 1730): "The Laying of the Entire Hangzhou-Fuzhou-Guiyang-Chengdu Optical Cable Completed"]

[FBIS Translated Text] Chengdu, 24 Jul (XINHUA) — The Sichuan-Guizhou section of the Hangzhou-Fuzhou-Guiyang-Chengdu optical cable telecommunications project, a key state project of the Eighth Five-Year Period undertaken by the Chengdu Military Region, was completed 20 days ahead of schedule. It was inspected and accepted by the state postal and telecommunications departments a few days ago and the quality of the entire project was up to the mark. This means that the project of laying over 4,300 km of optical cable for telecommunications use was successfully completed.

The Sichuan-Guizhou section of the Hangzhou-Fuzhou-Guiyang-Chengdu optical cable for telecommunications is 1,140 km long. It passes through 36 cities and counties, penetrates over 600 mountains, and spans 257 large and small rivers, including the Chang Jiang and Wu Jiang. The difficulty in construction was tremendous.

In April this year, the Chengdu Military Region sent over 20,000 officers and soldiers and large numbers of vehicles to carry out the project. The officers and soldiers braved rainstorms, did not fear hot weather, and worked arduously. The officers and soldiers of a certain regiment worked in an area of karst topography where there were high peaks and risky terrain. Nevertheless, they laid 28 km a day, breaking the record in the history of the construction of main telecommunications lines in China. Among the ranks of the construction units was Wang Guoqiang, a young soldier who sacrificed his life for the cause of China's telecommunications.

Experts Urge Faster Building of Neutron Reactor

OW0308041295 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1130 GMT 25 Jul 95

[FBIS Translated Text] Beijing, 25 Jul (ZTS) — Chinese nuclear industry experts say that to ensure that an experimental fast neutron reactor can be built by the year 2000, China must accelerate the process of finalizing various projects and make every effort to utilize foreign countries' research achievements and advanced technologies.

In view of China's current energy shortages, the experts made the call at a meeting held in Beijing recently to evaluate the construction of an experimental fast neutron reactor.

China's research on building a fast neutron reactor began in the late sixties. In 1987 the project, as a principal model of advanced reactors for energy research, was placed on the state's high-technology development plan as a priority developmental project. In recent years, 30 sets of experimental equipment have been installed, buildings with a total floor space of 10,400 sq m have been built, and a conceptual model has been designed on the basis of fully mastering the basic technology of the fast neutron reactor.

New Heavy-Mass, Neutron-Rich Nuclide Developed

OW0208130595 Beijing XINHUA Domestic Service in Chinese 0038 GMT 23 Jul 95

[By reporter Xi Yongnian (6741 3057 1628) and correspondent Song Wenjie (1345 2429 2638)]

[FBIS Translated Text] Lanzhou, 23 Jul (XINHUA) — The Chinese Academy of Sciences Institute of Modern Physics recently used neutron-rich beams of oxygen-18, provided by the Lanzhou heavy-ion accelerator, to bombard natural-uranium targets, and synthesized protactinium-239, a new heavy-mass, neutron-rich nuclide, in the "fissionable nuclear region" [ke lie bian he qu 0668 5933 6239 2702 0575] through singular multinucleon transfer reactions. The synthesis is the first of its kind in the world.

One of the major basic fields in nuclear physics, the synthesis and study of the new nuclide is very significant in terms of physics and is technically difficult. After several years of hard work, the institute synthesized and identified new hafnium, mercury, and thorium nuclides with mass numbers 185, 208, and 237, respectively, in the region of heavy-mass, neutron-rich nuclides, and pushed this research project into the more difficult "fissionable nuclear region." Technical difficulty has mounted along with the growing abundance and mass number of neutrons. Hence, the synthesis of protactinium-239 has become one of the more striking advances in that mass region. It represents the further development of the unique physical thinking and technological line in the region of heavy-mass, neutron-rich nuclides.

Using an adequate yield to produce protactinium-239 is a major technical problem under study in the international physics community. Protactinium-239, which could not be synthesized through the bombardment of fast-neutron heavy radiation targets, represented a gap in the nuclide chart. A research team at the institute

led by research fellow Yuan Shuanggui found an effective means for producing protactinium-239 through the mechanism of multinucleon transfer reactions triggered by heavy ions in the Lanzhou heavy-ion accelerator, and boosted the yield using neutron-rich beams of oxygen-18.

In bombarding natural uranium targets, oxygen-18 also triggers fission, producing the isotopes of most elements on the periodic table. Separating and identifying protactinium-239 with an extremely small yield from a large number of complex fission products poses yet another problem. Yang Weifan, an associate research fellow at the institute, and others designed a complex but effective chemical process and multiple measuring methods, thus successfully overcoming the interference of fission products, and separating and identifying protactinium-239. They also determined its half-life to be 106 minutes. This breakthrough won admiration at home and abroad.

Protactinium-239 is the fourth new nuclide synthesized by the institute in the region of heavy-mass, neutron-rich nuclides with mass numbers of more than 170. The success has filled a void on the nuclide chart, and provided valuable information for the study of the nuclear structure and astrophysics in the region of heavy-mass, neutron-rich nuclides.

Military & Public Security

Gansu Secretary Briefs Leaders on Li Peng Visit

HK0308050395 Lanzhou Gansu People's Radio Network in Mandarin 2300 GMT 28 Jul 95

[By reporter Liang Chunming]

[FBIS Translated Excerpt] The Gansu Provincial CPC Committee, Provincial People's Congress, and Provincial Chinese People's Political Consultative Conference [CPPCC] held a forum to mark the 68th anniversary of the founding of the People's Liberation Army, the 50th anniversary of the victory of the World Anti-Fascist War, and the 50th anniversary of the victory of the Chinese People's War of Resistance Against Japan in Lanzhou yesterday afternoon [28 July]. On behalf of people of all nationalities in Gansu, Zhang Wule, provincial party committee deputy secretary and governor, extended festive congratulations to all commanders and soldiers of Lanzhou Military Region and PLA troops as well as all officers and men of armed police corps stationed in Gansu.

Provincial Party Committee Secretary Yan Haiwang presided over the meeting and briefed the participants on Premier Li Peng's inspection tour in Gansu and work conditions in Gansu.

Major General Cao Pengsheng, Lanzhou Military Region political commissar said: The development of Gansu is closely bound up with the military region. It is imperative for us to act in accordance with Central Military Commission Chairman Jiang Zemin's instruction on sharing weal and woe with the people and doing a good job of building Gansu with joint efforts.

Zhang Wule said, reviewing the past we had a more profound experience that without a people's army the people would not have enjoyed what they have today. Over the past year, PLA commanders and soldiers have made important contributions to Gansu's economic construction, maintaining social stability and rushing to deal with an emergency and providing disaster relief. [passage omitted]

Party, government, and military leading members participating in the forum included Lu Kejian, provincial people's congress standing committee member, provincial CPPCC Chairman Shen Xiaozeng, deputy secretaries of the provincial party committee Sun Ying, Yang Zhenjie, (Zhao Zihou), and Li Hulin; Lieutenant General Wang Lizhong, and Major General (Mao Zhicheng), deputy commanders of Lanzhou Military Region; Lieutenant Generals (Xu Shouzeng) and (Xu Yongqing), deputy political commissars of Lanzhou Military Region; Lieutenant General Zang Sui, Lanzhou Military Region Air Force political commissar; provincial party committee standing committee members Zhong Zhao-long, Shi Zongyuan, Lu Hao, Yang Huaixiao, and Mou Benli; and Vice Governor Chen Qiling. [passage omitted]

All Escort Vessels Now Carry Guided Missiles

HK0308070995 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 0624 GMT 17 May 95

[ZHONGGUO TONGXUN SHE dispatch from Beijing 17 May: "All Escort Vessels of the Chinese Navy Are Armed With Guided Missiles as the Last Conventional Escort Ship Is Discharged From the Navy"]

[FBIS Translated Text] The "Nanchong," the last escort vessel of the Chinese Navy armed with guns, was officially discharged at an unidentified military port in the South China Sea some time ago. Today, all escort vessels of the Chinese Navy, the main type of naval vessel in China, are armed with guided missiles.

According to relevant departments of the Chinese Navy, escort ships are the most common military vessels in the world, and the arming of these ships with guided missiles has become an important goal of escort fleet building by navies all over the world. After 15 years of development, China's escort fleet is now armed with sealed guided missiles. It has undergone historic

changes in all respects, both in terms of the tactical and technical performance of its weaponry or in the scientific and cultural qualities of the new generation of naval officers and men who control these vessels, and has made a big stride forward toward the goals of modernization.

It is understood that the "Nanchong" will soon be delivered to the Qinghai Naval Museum and put on public display.

PLA Modernizes Mapping, Cartography

HK0308050095 Beijing JIEFANGJUN BAO in Chinese 17 May 95 p 1

[Dispatch from Beijing by Xu Chengtai (1776 6134 3141) and Special Correspondent Zhang Dongwen (1728 2639 2429) from Beijing, 16 May: "PLA Mapping and Cartography Support Becomes More Modern With Each Passing Day"]

[FBIS Translated Text] Thanks to the application of high and new technologies in the sphere of mapping and cartography, with telemetry, satellite positioning, digital mapping, and geographical information systems forming the most representative systems, the PLA has gradually achieved modernization in its mapping and cartography support.

Our reporters have witnessed the following at the demonstration held yesterday by the Mapping and Cartography Bureau of the General Staff Department:

— Aerospace telemetry that provides three-dimensional coordinates and image information of targets necessary for precision guidance; high-precision geocentric coordinate systems that provide precise geocentric parameters and global gravity field information, and data for the positioning and orientation of firing points; and a digital height chart and terrain contour matching technologies that provide precise guidance correction data.

— Digital maps that provide a highly-effective tool for the command automation of our army. The rapid, precise, graphic, and vivid display on electronic screens of various kinds of information for decisionmaking based on the simulation and inference of friend-and-foe strength and combat situations has become an indispensable and important support to the rapid operation of the entire command nerve center. Digital mapping has become an indispensable component of C3I systems.

— Satellite positioning technology that provides real-time positioning data to help the troops carry out reconnaissance and maneuvers under all kinds of topographical and weather conditions. By providing planes,

warships, and motor vehicles with real-time navigation data, satellite positioning technology has become an important guarantee for troop movements and combat under modern conditions.

Today, our army's mapping and cartography units have bid farewell to the backward state of "one chart, one board, and one pen" and started a new stage of modern and hi-tech comprehensive mapping and cartography support that covers all directions and processes.

Hainan Comfort Group Visits Soldiers on Spratlys

*HK0308082095 Haikou Hainan People's Radio
Network in Mandarin 2300 GMT 27 Jul 95*

[FBIS Translated Excerpt] On behalf of the people of Hainan, an 18-member provincial comfort group headed by Vice Governor Wang Xueping and Provincial People's Congress Vice Chairman Xin Yejiang, visited all officers and men of the People's Liberation Army sta-

tioned on the Nanshas [Spratlys]. Lieutenant General (Zhang Fuquan), political commissar of the south sea front; Major General (Zhao Yingfu), deputy political commissar; Major General (Li Jiukang), political commissar of the Zhanjiang Naval Base, and of the officers and men on the Nanshas; warmly welcomed the comfort group.

At a welcome meeting, Wang Xueping extended cordial regards to the commanders and soldiers stationed on the Nanshas on behalf of the Hainan provincial party committee and government, as well as of Hainan's people of various nationalities. He said: The beautiful Nanshas, which are abundant in natural resources, have been China's sacred territory all along. He expressed the belief that under the correct leadership of higher command, the officers and men on the Nanshas surely will fulfill all tasks outstandingly. [passage omitted]

General

Minister Wang Zhongyu on State Enterprise Reform

OW0308010495 Beijing XINHUA Domestic Service
in Chinese 1147 GMT 19 Jul 95

[By RENMIN RIBAO reporter Zhu Jianhong (2612 0494 5725) and reporter Zhang Jinsheng (1728 6930 0524)]

[FBIS Translated Text] Beijing, 19 Jul (XINHUA) — While replying to questions from Chinese and foreign reporters today, Wang Zhongyu, minister of the state economic and trade commission, assessed and summed up China's current enterprise reform as "clear direction, clear thinking, commencement of pilot reform, and smooth progress."

Wang Zhongyu said: The Third Plenary Session of the 14th CPC Central Committee determined the establishment of a modern enterprise system as the direction for state enterprise reform. In accordance with the guidelines of the third plenary session, the goal of state enterprise reform is to establish a modern enterprise system suited to the socialist market economic system, while ensuring a continuous leading position for the national economy. At the beginning of the year, the State Council General Office transmitted for implementation the "11 measures for deepening enterprise reform" forwarded by the commission. The measures have basically included enterprise reform tasks. In the past two years, a common understanding has gradually been forged in various sectors for some major issues concerning enterprise reform. We may say that the task for enterprise reform has shifted from the study and discussion stage to the stage of active and practical promotion.

Wang Zhongyu said: Enterprise reform is the emphasis of the economic restructuring task this year, and the comprehensive implementation of four pilot projects chosen by the State Council has begun. The pilot projects are: Establishing the modern enterprise system in 100 enterprises, optimizing the capital structure for 18 selected cities, implementing standardization for 56 enterprise groups, and introducing the holding corporation system for three selected large state enterprises. It is worth paying attention to and summing up some practices in the pilot process. For example, we must have a good and thoroughly proven plan for pilot enterprise reform; it is necessary to stress major aspects while implementing enterprise reform; we must proceed from actual conditions and uphold the principle of guiding and treating enterprises according to categories; and it is necessary to effectively combine reform, reorganization, and remodeling with strengthened management while implementing coordinated reforms. He said: There

are internal and external factors for problems of state enterprises. Therefore, it is necessary to implement coordinated reforms for them. The State Economic and Trade Commission has issued five documents concerning coordinated reform this year, in addition to 44 other documents issued by relevant departments. There are six more documents that are being discussed and reported to the higher authorities. These documents will provide a tremendous drive for enterprise reform.

Wang Zhongyu also gave a briefing on the progress of enterprise mergers and bankruptcies. As the task concerns much about policy-making and social stability, relevant government departments have firmly promoted it. The State Council formulated two documents on enterprise mergers and bankruptcies last year. Currently, a total of 161 enterprises in 18 cities have filed for bankruptcy. Of these, 47 have been declared bankrupt and 99 percent of some 430,000 affected workers have been resettled. A total of 31 enterprises are now in the bankruptcy process, and 83 will soon be placed in the process. Additionally, 472 enterprises have met the conditions for mergers, and over 80 enterprises are drawing up plans for mergers. This year there will be new breakthrough in these two aspects of work.

Commentator on Improving State Economy

OW0208131895 Beijing XINHUA Domestic Service
in Chinese 0030 GMT 23 Jul 95

[XINHUA commentator's article: "Grasp the 'Crucial Minority' To Improve the State-Owned Economy"]

[FBIS Translated Text] Beijing, 23 Jul (XINHUA) — The important thing in developing the socialist market economy is to enable the state-owned economy and the entire public-ownership economy to constantly develop and grow stronger amid market competition, to always maintain the public-ownership economy's principal position in the national economy, and to give full play to the guiding role of the state-owned economy. How then can this goal be attained and the quality and efficiency of the national economy's growth be improved? Following practice and exploration of many years, the CPC Central Committee and the State Council have explicitly put forward that it is necessary to concentrate efforts on grasping well a number of large enterprises and enterprise groups, that is, to "grasp the crucial minority." That the State Council has decided to concentrate efforts this year on doing a good job in grasping the experiments on the modern enterprise system of the selected 100 large and medium enterprises, and the experiments of 56 selected enterprise groups is a specific expression and implementation of this strategic principle.

To grasp the crucial minority, we must attach great importance to implementing the strategy of developing large companies and large enterprise groups. Some data can make this very clear. According to statistics, the country's 500 largest state-owned industrial enterprises account for only 0.7 percent of the total number of state-owned industrial enterprises. However, their assets account for 37 percent of the total, the income from their sales volume accounts for 46 percent, and their gross profits account for 63 percent. We can say that these 500 enterprises are the national economy's crucial minority. If we grasp these enterprises, we will grasp the major part of the state-owned economy. Most of the 56 large enterprises and enterprise groups selected for experiments are file leaders and outstanding powerful enterprises of 12 key industries. In the market economy, if we get hold of these outstanding powerful enterprises, we will get hold of the lead of economic development and will be able to spread the net through manipulating the lead rope. We can also say that these enterprises are the crucial point in the overall strategic situation of improving the state-owned economy. This is because they generally are the state's lifeline enterprises, the file leaders of key industries, and major state-owned assets that hand over taxes to the state.

If the state concentrates its limited funds on investing in these outstanding and powerful enterprises that have a bearing on the national economy and the people's livelihood, we can further increase their economic efficiency and expand their economic scale and, more over, by means of assets, we can link them with a large number of enterprises helping them improve as well. This will promote the industrial structure's readjustment and the enterprise organization structure enabling poorly run enterprises, which have to be closed down, suspended, merged, or switched to other lines of production, to have more room to maneuver and will gradually invigorate the entire state-owned economy.

The 56 enterprises selected for experiments have a special historical mission of carrying out reforms before others in implementing the large companies and enterprise groups strategy. The purpose for the state instituting the modern enterprise system before others in these large companies and enterprises groups that have market competitive power, gives them the rights to import and export, the right of examination and approval of affairs related to foreign countries, allows them to set up financial companies, and implements other preferential policies for them is to improve the quality and efficiency of the national economy's growth through grasping key points and helping outstanding and powerful enterprises. At present, the major problem in China's economic growth is low quality and poor efficiency. To

improve the quality of the entire state-owned economy, we must change our concepts. To focus efforts on supporting enterprises with strong points is to support a number of outstanding and powerful enterprise groups.

Implementing the strategy of developing large companies and large enterprise groups is also a requirement for China to take an active part in international economic competition. Large companies and enterprise groups are China's main force in its participation in international market competition. The crux of enabling China to occupy an advantageous position in the acute international economic competition in the 21st century lies in comprehensively increasing the competitive power of state-owned large and medium enterprises. Viewed from experience abroad, the 500 largest transnational corporations of the world play quite a substantial role in the world economy. Without a number of large companies and enterprise groups, our country's overall strength will not increase and we shall not have competitive power.

With the gradual merging of China's economy with the international economy, more large corporations and large enterprise groups of foreign countries will enter the domestic market. This means that the domestic market will further become an important part of the international market. China's large companies and enterprise groups will directly compete with large foreign corporations and enterprise groups within China. Therefore, doing a good job in grasping experiments on enterprise groups at selected points and energetically promoting the modern enterprise system are also important strategic arrangements for increasing the international competitive power of our country's economy. Without several powerful mainstay industries and without dozens of powerful enterprise groups, it would be impossible for China to occupy a position in the world. In the new situation, we must implement the policy of focusing support on a number of selected large enterprise groups that have great competitive power and that already have an impact on the domestic and international markets so that they can become even more powerful. Only in this way can we really give play to the state-owned economy's guiding role.

Coal Industry Resolves Payments in Arrears

HK0308064695 Beijing RENMIN RIBAO Chinese 12 Jun 95 p 10

[Article by Wang Senhao (3769 2773 3185), minister of coal industry: "An Effective Way for Solving Payments for Goods in Arrears Among Enterprises"]

[FBIS Translated Text] Inter-related payments for goods in arrears are the one outstanding problem puzzling state-owned enterprises. In the past two years, normal

production and operation activities, as well as the livelihood of the staff and miners in key state-owned coal mines have been greatly affected by the extreme shortage of funds caused by seriously in-arrears payments for the coal sold. In view of this situation, the Ministry of Coal Industry put forward in November 1994 the "Three No's": "No delivery of coal without payment; no delivery of coal without turning in commercial drafts; no delivery of coal without paying up all payments in arrears." Practice has proved that this is an effective way for solving payments for goods in arrears among enterprises.

We Have Simply Been Compelled To Put Forward the "Three No's"

Under the past planned-economy system, coal products were distributed and sold in a centralized way. When the coal industry started reforming itself and went into the market, it faced quite a few new contradictions, and it found that old concepts and old measures no longer work. One is forced by the new situation to use reformative measures to solve problems that crop up in the process of reform. The coal industry has simply been compelled to put into practice the "Three No's."

For a long time, the settlement of accounts as regards the selling and buying of coal has been carried out through the collection and acceptance of bills by the bank. Hence the coal mine does not have the right to collect payments directly, and the cases of clients' failing to pay for the coal they bought have happened occasionally. Since the beginning of 1993, key state-owned coal mines in the northeastern, northwestern and southwestern regions started to face the problem of end-users' failing to honor large amounts of payments due. The tendency then spread quickly toward the central region, eventually reaching and affecting each and every coal mine, thus turning out to be the most conspicuous contradiction affecting the economic operation of the entire coal industry. In early 1993, the amount of end-users' payments in arrears to key state-owned coal mines was 9.2 billion yuan, which rose to 20.1 billion yuan in early 1994, which kicked up to 29.26 billion yuan by the end of October that same year, tantamount to no returns for the sales revenue of half a year. Some coal mines received less than 20 percent of payments owed them, which was averaged to a daily income of less than one-third the minimum amount needed to keep the mine running. This extremely strained situation of funds in enterprises has brought about a series of problems.

First, it is hardly possible to keep simple reproduction going. Quite a few coal mines have no money to buy materials and parts that are badly needed for production;

their reserve supplies have dropped to the lowest point; and they have no money with which to carry out technical measures to ensure safe production, which falls short of basic guarantees. In 1993, the amount of funds extracted for the renovation and overhaul of equipment in key state-owned coal mines was 0.835 billion yuan less than normally required, and the rate of fulfilled renovation and transformation of equipment, and that of equipment overhaul dropped 14.8 percent and 7.7 percent respectively as compared with those in 1992. By the end of 1993, the key state-owned coal mines were 1.4 billion yuan behind in payments for safety measures, and the amount rose to 2 billion yuan one year later.

Second, the reserve strength of coal mine production is affected. The fundamental requirement for coal production is that mining and tunnelling should go hand-in-hand, with tunnelling blazing the trail. If opening up and tunnelling lag behind, mining is strained or out of order as a consequence, and coal output drops in a few years' time. Such symptoms have appeared in some coal mines owing to the shortage of funds. According to statistics, between 1993 and the end of September 1994, the abnormal decrease of tunnelling length in key state-owned coal mines amounted to 130,000 meters.

Third, in some coal mines, the administration has long been behind in paying wages to the staff members and miners, and the living standards of some staff members and miners have gone down. By the end of 1993 among 94 state-owned key coal mines (coal mine bureaus) and 3.21 million staff and miners, there were 70 coal mine bureaus holding back pay amounting to 1.56 billion yuan and involving 2.51 million persons. By the end of 1994, there were still 50 coal mine bureaus that were behind in wage payment, amounting to 2.21 billion yuan and involving 1.58 million persons, with an average of 3 months' back pay. Some enterprises have been behind in the payment of wages ever since 1993, with the most serious case being six-seven months' wages in arrears, which put the staff members and miners in a fairly difficult position as far as livelihood was concerned.

Debtor Enterprises Are Capable of Repaying

The two reforms and the "Three No's" are powerful measures adopted by the coal industry in the realm of circulation to suit the needs of setting up a socialist economic system, and they follow market economy rules and commodity exchange regulations.

The initial effects of the two reforms and "Three No's" adopted by the coal industry can be seen already.

The implementation of the "Three No's" helps to restrain enterprises' unreasonable acts and to normalize

market order. Although the reasons are very complicated why large sums of payments owed the coal industry should have existed, this fact is inextricably related to the abnormality of market order and to the absence of effective restraints and protection. At present, the enterprises that owe payment to others for goods received do not have the initiative to pay off their debts because owing a debt turns out to be much more desirable than getting a loan from the bank. Lending money needs to be approved and interest must be paid, while owing payments for goods does not involve paying interest, which is equivalent to using others' funds without compensation. It is precisely because "being behind in payments is profitable," that some debtor enterprises, which are capable of repayment, avoid doing so. Some even spend the money they owe others on their own capital construction. Since the implementation of the "Three No's," many coal mines have acted strictly according to the law when signing and performing economic contracts for buying and selling. No coal is delivered to those who do not make their payments in accordance with the contract. Neither is any delivery of coal made to anyone who is behind in his payment, makes no schedule for repayment, signs no new contract, or has no contract at all. This plays an important role in normalizing production order, as well as order in buying and selling. Looking at what has happened since these principles began to be implemented in November of last year, we should say that initial effects have been seen. Payments returned in November were 5.4 billion yuan, which was 1.1 billion yuan more than the average monthly return of 3.4 billion yuan from January to October that same year. In last December, payments returned reached 6.9 billion yuan, another increase of 1.5 billion yuan as compared with November. Aggregate sales from January to March this year were 14.9 billion yuan, while paid-in sales accounts reached 14.1 billion yuan, the return rate of coal sales being 94 percent. Generally speaking, the momentum of ever-growing amounts in arrears has been brought under control, and we basically have realized two expectations: No new sales are behind in payment, while debts incurred by old sales keep shrinking steadily.

Practice throughout this period highlights two points: 1) The operation of the national economy has not been affected since the coal industry put into effect the "Three No's"; 2) When in the past, the chief leaders of coal mines sought repayment from major clients that were in arrears with coal payments, these clients often would decline, on the excuse that they had no money. However, since the implementation of the "Three No's," it has turned out that these debtor-clients have the money to pay off their debts. This is an indication that the enterprises do have the potential power to repay their debts. As long as people act according to

market regulations, the problem of inter-related defaults in payment hopefully can be mitigated to a great extent.

Preventing Drain on State Assets

The implementation of the "Three No's" helps to prevent the drain on state assets. Coal industries, while clearing and recovering those old, and even obsolete arrears, have found that it will hardly be possible to recover some of the payments for coal which have been due for a long time. These consequently will be listed as bad debts, which is a drain on state assets. Among these clients who are in arrears with coal payments, some have gone into liquidation, others been dissolved, still others cease to exist except in name, and at the very last you cannot even find the debtor in person. Payments in arrears which fall into these categories amount to approximately 85 million yuan.

Under conditions in which the market mechanism still is not yet fully grown and in which relevant laws and codes still lag behind, the implementation of the "Three No's" not only can ensure the return of payments for coal and guarantee the least degree of fair dealing, but also prevents the drain on state assets.

The implementation of the "Three No's" helps to promote the optimization of industrial structure. The establishment of an socialist market economy system requires the market to play a basic role in the allocation of resources. By means of market mechanisms the fittest will survive, while the weakest be eliminated, and resources will flow to those enterprises that adapt themselves to the state industrial policies and that have good benefits and returns. Judging from the situations of those enterprises with their payments in arrears, we can see that the reason why some of them have found it hard to repay their debts is that they either could not adapt their business orientation to the new situation or make good-quality products that have a ready market, to the extent that their products were slow-selling or unsalable, resulting in big deficits and thus a shortfall of funds. Since the implementation of the "Three No's," whichever enterprise has money will be guaranteed supplies on a preferential basis, which actually is a kind of support and protection for those enterprises with good profits or returns. At the same time, this will give a push to those enterprises the products of which have no ready market or which make very slim profits, to adjust the their product structure and adapt it to the demands of the market so that they can get onto the track of a benign cycle. As for those enterprises that are incapable of continuing to operate and hence can hardly go on existing, and still less developing, this will give them a push to help send them into liquidation or into changing their line of business. This

will be of substantial significance for the realization of a rational distribution of factors for production and for the optimization of industrial structure.

At present, as a reformative measure being taken in the realm of coal circulation, the "Three No's" are in the process of implementation. Through this preliminary practice we have come to see that if this measure is to be implemented and carried through to the finish, investigation and research work must be strengthened, and the problems arising from practical work must be solved in good time. First of all, leaders at different levels in the coal mines still have to transform their concepts and understanding, and must dare to blaze a new trail once they are confident and sure of it. Second, understanding and support from all sides in our society are required. Furthermore, government organizations must strengthen macroeconomic regulation and control of the market, normalize market actions according to law, and set up a sound market order. Particularly with regard to coal industry, which is an infrastructural industry, government institutions should strengthen the administration and the macroeconomic regulation and control of the trade as a whole. By means of economic legislation, the production, transportation and sale of coal should be channelled into a legalized course. There must be laws to abide by, while violations of law must be prosecuted. By means of necessary coordination and intervention, all sorts of disorder and confusion in the realm of coal circulation must be put right, so that an operational mechanism of benign cycle can be formed, and so that the sustained and healthy development of the coal industry can be promoted.

Finance & Banking

State Council Orders Withdrawal of Bank Investment

OW0208140695 Beijing XINHUA in English
1358 GMT 2 Aug 95

[FBIS Transcribed Text] Beijing, August 2 (XINHUA) — The State Council has issued a circular ordering the four largest state banks to completely disaffiliate themselves from their trust and investment operations.

The Industrial and Commercial Bank of China (ICBC), Agricultural Bank of China, Bank of China, and People's Construction Bank of China (PCBC), the country's four largest banks, should disaffiliate themselves from their trust and investment arms in accounting, business, personnel, and administrative affairs, the circular said.

As a first step, ICBC and PCBC will try the new method in Beijing, Shanghai and Tianjin municipalities and in provincial and regional capitals, except for Lhasa, according to the circular.

It said that banks are not allowed to retain their trust and investment operations, to engage in trust and investment business, or to deal in securities-related affairs.

It also said that such wordings as "bank" or "banking" cannot be used in trust and investment company names.

Personnel and administrative affairs of trust and investment companies that have been transferred should be turned over to local governments or related departments, the circular said.

It emphasized that the trust and investment companies solely funded by banks should be dismantled and that those controlled by banks should be restructured by withdrawing the bank's investment, and that banks which hold shares should transfer the shares.

The four banks must dismantle their trust and investment departments, the circular said, adding that the securities business arms of the companies affiliated with banks should be handed over to local securities firms.

Central Bank Closes Initial Treasury Bond Issue

OW0208134895 Beijing XINHUA in English
1326 GMT 2 Aug 95

[FBIS Transcribed Text] Beijing, August 2 (XINHUA) — China's initial issue of certificate treasury bonds this year has closed, the People's Bank of China (PBC), the central bank, announced here today.

A total of 104.19 billion yuan (about 12.5 billion US dollars) worth of bonds was sold from March 1 to July 31. The figure is slightly more than the planned amount, according to the central bank.

China put two types of bonds on sale on March 1. The non-tradable three-year certificate bonds carry an inflation-indexed interest rate of 14 percent, which is 1.76 percentage points higher than bank deposit yields for the same period.

Tradable three-year unregistered bonds, underwritten by securities institutions and lacking the adjustment for inflation, carry a coupon rate of 14.5 percent, 2.26 percentage points higher than bank deposits for the same period. Trading of the bonds started after the issue closed March 20.

A PBC official said that the certificate bonds have been well received mainly because individual investors have been drawn by the attractive interest rate, the inflation subsidy that offsets price rises, and the low risk when compared with stock investments.

He added that the increased number of sales outlets, 100,000 nationwide, has also in part contributed to the smooth release of the bonds.

The Industrial and Commercial Bank of China, the country's largest bank, sold a total of 40.558 billion yuan worth of the certificate bonds, about 39 percent of the national total.

China has been steadily increasing the number of treasury bonds annually since 1981, when it resumed the practice of issuing bonds. By last year more than 310 billion yuan worth of treasury bonds had been floated.

Commentator Voices Concern Over False Statistics

95CE0433a Beijing ZHONGGUO XINXI BAO
in Chinese 4 May 95 p 1

[Article by special commentator Ye Changlin (0673 7022 2651): "A Basic Assessment of the Quality of Statistics in Our Country"]

[FBIS Translated Text] For some time now, the negative and corrupt phenomena of false reports and deceptive practices have been occurring in some localities, sectors, and units in our country. Inevitably, such phenomena have manifested themselves in a concentrated manner in the area of statistical data, and are directly affecting the quality of such data. Therefore, the quality of statistical data in our country has become an acute issue which causes concern, and also worry, on the part of all sectors of in society.

How should we assess the quality of statistical data in our country at the present time? The actual situation regarding the quality of statistical data was ascertained through the nationwide general examination of statistics and law enforcement in 1994. The following three basic points can be made drawing upon our analysis and study of the results of the general examination: First, from a micro-level, grass-roots perspective, false statistical data is a rather widespread and serious problem; second, from a macro-level, or national perspective, statistical data are largely truthful and reliable; and, third, it is necessary to fundamentally rectify the problem of false statistical data, a problem which exists at the micro, or grass-roots level and is local in nature; otherwise, the problem can be transformed into a macro-level general problem of falsified statistical data.

According to statistics from 30 provinces (municipalities and autonomous regions) nationwide, this round of nationwide general examination of statistics and law enforcement exposed, altogether, over 70,000 cases of unlawful activities in the statistical area. Of those, as many as 20,300 cases were of reports based on padded figures, reports based on lowered figures, fabrication, and alteration of statistical data, representing 27.4 percent of the total number of cases; there were 576 cases of coercing or implicitly ordering people to generate false statistical data, representing 0.9 percent of the total number of

cases. The results from examining several major statistical indicators demonstrate: With regard to the value of industrial output, especially the value of industrial output of township enterprises, the main problem is that of padded figures; with regard to the number of births and capital construction, the main problem is that of under reported figures; with regard to grain reserves, there is the phenomenon of grain existing only on paper but not in reality; with regard to grain output, peasant per capita net income, the price index, and the rate of natural growth of the population, statistical data basically reflect objective realities because they are based on national sample surveys; but padded figures and under reported figures still occur in some places. In addition, under reported figures on total wages and padded figures on sown acreage for grain and cotton still occur occasionally in some places.

The extent of the above mentioned problem varies and the situations involved are also different, but the problem is somewhat widespread across the country. The most harmful and prominent in this respect have been the padded figures on the value of industrial output of township enterprises and the under reporting on rural births. Such activities in violation of the law continue despite numerous attempts to crackdown on them; they are even proliferating continuously in some places; fabrications have reached an alarming degree.

Because there is such a serious degree of mendacity in the statistical data from some localities, the State Statistical Bureau and statistical bureaus in the provinces (autonomous regions and municipalities) have strengthened macro-level control over the quality of major statistical data by conducting careful calculation, evaluation, and scientifically based revisions with regard to the statistical data from the grass-roots level; with an eye toward fully utilizing such methods as balanced checking and scientific calculations, the bureaus try to ensure that the major statistical data provided by both state and provincial levels (autonomous regions and municipalities) are basically accurate and reliable, and that they contain no trend-distorting errors; in this way they are meeting the demands posed by the state's scientific decision-making and management. For instance, by using such methods as sample surveys, focal point investigations, representative target investigations, and comprehensive balancing calculations, Henan Province deducted 21.2 percent, from what were deemed to be the padding of figures, from the 1993 value of industrial output of village and sub-village units calculated and reported by the provincial township enterprise bureau. In accordance with the demands made by the provincial CPC committee and the provincial government, the Statistical Bureau of Shandong Province conducted a provincewide

sample examination of the quality of statistical data on the value of industrial output of villages in December 1994 (one county was selected from each prefecture or city; a good and bad township were selected from each county; a large, medium sized, and small village-run industrial enterprise were selected from each township). Through investigation and checking, 170.7 billion yuan, attributed to the padding of figures, was deducted from the 1994 value of industrial output of villages. On the basis of the efforts of statistical bureaus at various levels to deduct the amount attributed to the padding of figures, the State Statistical Bureau deducted over 370 billion yuan, which was so attributed from the 1993 value of industrial output of townships, villages, and sub-village units reported by the localities; by using such checking methods as sample investigations and other methods, it also deducted 700 billion yuan, similarly attributed to the padding of figures, from the 1994 value of industrial output of township enterprises. The State Statistical Bureau has also examined and checked out such sample survey data on birth rates and natural population growth rates reported by the localities, thereby reducing errors. As demonstrated by the judgments made by the leadership of the State Council and relevant agencies and the measures accordingly adopted, the major statistical data for 1993 and 1994 reported by the State Statistical Bureau and the statistical bureaus of the provinces (autonomous regions and municipalities) are basically accurate and do reflect the development trends in the economic construction of our country.

It must be pointed out that strengthening macro-level control over the quality of major statistical data and eliminating the effects of figure inflating on statistical data reported by the grass-roots level through the use of scientific methods only represents the treatment of symptoms. For, in the final analysis, false micro-level, grass-roots level statistics, that form the basis for macro-level general statistical data, can still be a serious problem which may evolve into one of false figures at the macro-level, general statistical data. In view of the main causes for the serious lack of truth in the grassroots-level statistical data, in order to raise the quality of statistical data, it is necessary to have a whole set of methods to cure the disease itself, to rectify the situation in a fundamental manner. The key to fundamentally resolving the problem lies in further developing the socialist market economy, deepening and perfecting the reform of the economic management system, and enhancing education nationwide, regarding the party's ideological line of seeking truth from facts. At the same time, in terms of statistical work itself, it is necessary to carry out comprehensive quality control over the quality of statistical data by relying on the two magic weapons proposed by Director Zhang Sai [1728

1049] of the State Statistical Bureau at the National Statistical Work Conference this year; that is, first to rely on science and technology and, second, on the legal system.

Agriculture

Anhui Agricultural Arbitration Procedures

OW0208113595 Hefei ANHUI RIBAO in Chinese
3 Jul 95 p 2

["Anhui Interim Procedures for Arbitrating Disputes Over Agricultural Contracts"]

[FBIS Translated Text] Chapter One. General Principles

Article 1. These procedures are drawn up on the basis of Article 77 of the "PRC Arbitration Law" and the "Anhui Regulations for the Management of Agricultural Contracts" for the sake of ensuring just and timely arbitration of disputes over agricultural contracts, and of safeguarding the rights and interests of various parties concerned.

Article 2. These procedures are applicable for disputes over agricultural contracts arising within Anhui's administrative area.

The term agricultural contract in these procedures refers to an agreement reached between a collective economic organization or a villagers' committee in the rural areas and a contractor governing their respective privileges and obligations with regard to the use of collective capital goods that the former authorizes through contracts.

Article 3. When disputes over an agricultural contract occur, the parties concerned may either request arbitration, or file a complaint at the people's court according to the law.

Article 4. Arbitration of disputes over agricultural contracts shall be based on facts, be in line with legal regulations, and be fair and reasonable.

Article 5. A dispute over an agricultural contract shall be settled through one single arbitratory session, and the results may be reviewed another session.

Article 6. The time limit for requesting arbitration of disputes over an agricultural contract is one year, beginning with the day when one party concerned knows or should know that his rights have been violated.

Chapter Two. Arbitration Organizations

Article 7. Committees for Arbitrating Agricultural Contracts (hereinafter called arbitration committees for short) shall be established under provincial, prefectural,

municipal, and county (district) economic administrative departments; or under township (town) organs in charge of rural areas' cooperative economic operations. An arbitration committee is composed of one chairman, two vice chairmen, and several members.

The establishment of an arbitration committee shall be approved according to these rules: A township (or town) arbitration committee shall be approved by the prefectural or municipal department in charge of rural areas' economic affairs; and a provincial, prefectural, municipal, or county (or district) arbitration committee shall be approved by the provincial department in charge of rural economic affairs.

A higher arbitration committee shall be responsible for providing arbitratory guidance for a lower arbitration committee.

Article 8. An arbitration committee shall have several arbitrators. The office of these arbitrators shall be assumed by rural areas' incumbent economic administrators who have arbitratory ability. Part-time arbitrators may be hired whenever necessary. Arbitrators and part-time arbitrators have equal authority in arbitrating a case.

Arbitrators and part-time arbitrators must be impartial and honest, they must perform their duties according to the law, and they must hold themselves responsible for their arbitration.

The provincial department in charge of rural areas' economic affairs shall draw up procedures for evaluating the performance of arbitrators and part-time arbitrators.

Chapter Three. Jurisdiction

Article 9. The township (or town) arbitration committee shall exercise jurisdiction over the disputes over an agricultural contract when the parties concerned belong to the same township (or town).

A higher arbitration committee shall exercise jurisdiction over the disputes between parties concerned who belong to different administrative areas.

Article 10. When a dispute over jurisdictional rights takes place, the arbitration committees of the disputatious parties shall settle their problem through consultations.

Article 11. A higher arbitration organ has the authority to handle cases under the jurisdiction of a lower arbitration organ; and it may also delegate a lower arbitration organ the authority to handle cases under its jurisdiction.

When a lower arbitration organ deems a case under its jurisdiction has to be handled by a higher arbitration

organ, it may request the higher arbitration organ to do so.

Chapter Four. Arbitration Procedures

Article 12. Interested parties desirous of applying for arbitration shall conform to the following conditions:

- (1) The availability of an arbitration agreement;
- (2) The availability of concrete requests, facts, and grounds for arbitration; and,
- (3) The case falls within the handling scope of an arbitration committee.

Article 13. An interested party may appoint one or two agents to the arbitration process; agents must produce powers of attorney with stipulations on authorized subjects and authorization limit to the arbitration committee.

Article 14. An arbitration committee shall make a decision within 15 days after receiving an arbitration application on whether or not it will accept arbitration. An arbitration committee should accept arbitration if, in its opinion, an application has met acceptance conditions, and should notify the interested parties accordingly. If an arbitration committee holds that an arbitration application has failed to meet acceptance conditions, it should notify the interested parties in writing on the grounds of its refusal.

Article 15. An arbitration committee shall set up an arbitration court to hear disputes arising from agricultural contracts. The court shall consist of a chief arbitrator and two arbitrators (or part-time arbitrators). The former shall be appointed by the chairman of the arbitration committee, with the latter to be selected one each by the applying and responding parties. In the event that both the applying and responding parties or either of them are not willing or unable to select arbitrators, they shall be appointed by the arbitration committee chairman.

The arbitration committee chairman may appoint an arbitrator to independently hear disputes arising from simple agricultural contract disputes.

Article 16. Within seven days after accepting an arbitration application, an arbitration committee shall serve copy of the application and its acceptance notice to the responding party, requiring the latter to submit its defense and relevant evidence within 15 days.

Failure of the responding party to submit its defense shall not affect the case's arbitration.

When exceptionally necessary, an arbitration committee shall have the power to accept and arbitrate a dispute on the spot.

Article 17. When the conduct of another interested party or because of other reasons that may render an arbitration being unable or difficult to be carried out, an interested party may apply for preservation of property in accordance with law.

When an interested party applies for preservation of property in accordance with law, the arbitration committee shall relay the application to the people's court in accordance with relevant Civil Procedure Law provisions.

When errors are committed in the application, the applicant shall compensate the responding party losses so incurred.

Article 18. In cases where production activities may cease as a result of an agricultural contract dispute, the arbitration committee may, upon acceptance of the case, rule to resume production pending settlement.

Article 19. When a dispute arising from an agricultural contract is set for a hearing, the arbitration court shall notify, in writing, the interested parties in advance on time and venue of the hearing. When an interested party fails to show up without excuse after two notifications, arbitration may be made in default.

Article 20. In handling cases, an arbitration committee shall adopt the principle of mediation first, arbitration later. When agreement is reached in a mediation, a mediation report shall be prepared. When a mediation has not been successful, or one interested party has changed his mind before service of the mediation report, the case shall be arbitrated.

Article 21. When an interested party holds that the vested interest of an arbitrator or a part-time arbitrator in the case may jeopardize an impartial arbitration, he may apply for avoidance, which the arbitration committee will decide on.

Article 22. An arbitration court shall have the power to investigate into or seek proof from relevant units and individuals, which should be conducted by two or more work personnel. Units or individuals being investigated shall render assistance and be responsible for the truthfulness of evidence so provided.

An arbitration court may seek technical verifications from relevant units or appraising departments arranged by the interested parties on subject matters of a case.

Article 23. An arbitration court shall hear cases in accordance with procedures; conscientiously hear submissions and arguments by interested parties; produce relevant evidence on disputed facts; and make hearing records, which shall be signed by the interested parties, or their agents, and witnesses.

Article 24. Rulings shall be based on opinions of the majority of arbitrators, with different opinions expressed by the minority arbitrators being recorded. When an arbitration court fails to form a majority opinion, rulings shall be based on the opinions of the chief arbitrator.

Article 25. When rulings are made, an arbitration court shall make out an arbitration decision report showing arbitration requests, disputed facts, grounds for rulings, results of rulings, arbitration fees, and arbitration date. An arbitration decision report shall be signed by arbitrators and sealed by the arbitration committee. Arbitrators who hold different opinions may or may not sign it.

Article 26. An arbitration committee shall serve the arbitration decision report to the interested parties within seven days after making the report. The interested parties shall acknowledge receipt by signature or seal; the date of receipt shall be the date of service.

When an interested party refuses to accept an arbitration decision report, or an interested party is not available, or his whereabouts is unknown, the arbitration committee shall serve the report in accordance with relevant provisions under the Civil Procedure Law.

Chapter Five. Review and Supervision

Article 27. An interested party who is dissatisfied with an arbitration decision may, within 15 days after service of the arbitration decision report, apply to an arbitration committee at a higher level for review, or file a suit with the people's court in accordance with law. The arbitration decision shall go into effect when no application for review is submitted or no suit is filed at the expiry of the 15-day period.

Article 28. An arbitration committee at a higher level may handle a review application in writing or examine it in open court.

Article 29. In examining a review application, an arbitration committee shall separately handle the following circumstances:

- (1) The original rulings shall be upheld if facts were clearly verified and laws were correctly applied;
- (2) New rulings shall be made in accordance with law if facts were clearly verified but laws were wrongly applied; and,
- (3) When evidence on major facts were inadequate, the original rulings shall be revoked and new rulings shall be made in accordance with law; or the case may be referred to the original arbitration committee for fresh rulings.

Article 30. An arbitration committee at a higher level shall make a decision on a review application within two months after its receipt.

Article 31. The interested parties shall enforce the served arbitration report, the arbitration decision report, and the review decision report — which have already borne legal effects — within the prescribed period. When an interested party fails to enforce after expiry of the stipulated period, the other interested party may apply to the people's court for specific performance in accordance with law.

Article 32. When an arbitration committee chairman discovers errors in rulings handed down by his committee — which have already borne legal effects — and, in his opinion, the case needs to be reheard, he may refer the case to the arbitration committee for discussion and decision.

On discovery of errors in rulings by an arbitration committee at a lower level that have already borne legal effects, an arbitration committee at a higher level may direct the original arbitration committee to rehear the case.

Chapter Six. Supplementary Articles

Article 33. When a case is disposed off, arbitrators shall file and bind materials of the case for safe custody.

Article 34. In accepting cases, arbitration committees shall impose fees according to regulations. Fee-charging methods shall be forwarded by the provincial rural economic administrative department to provincial financial and commodity price departments for verification and approval.

Article 35. These procedures shall be interpreted by the provincial rural economic administrative department.

Article 36. These procedures shall take effect upon promulgation.

*Sichuan Increases Cotton Investment, Area

95CE0531H Chongqing XINAN JINGJI RIBAO
in Chinese 22 Jul 95 p 1

[FBIS Summary] This year Sichuan Province has invested 24 million yuan to support cotton production. Sichuan has allocated 10 million yuan to 10 major cotton-producing counties and cities. Governments at all levels and supply and marketing cooperatives have also invested 14 million yuan to subsidize plastic film, cotton seeds, and fertilizer to cotton farmers. The cotton area in Sichuan has reached 2,120,000 mu, an increase of 200,000 mu over 1994.

East Region

Shandong's Spark Plan Achieves 'Marked Results'

OW0308042495 Beijing XINHUA Domestic Service
in Chinese 0510 GMT 26 Jul 95

[By reporter Zhang Baixin (1728 4102 2450)]

[FBIS Translated Text] Jinan, 26 Jul (XINHUA) — Shandong Province has achieved marked success in its implementation of the Spark Plan over the past 10 years. Currently, Spark Plan projects have been implemented in all counties, cities, and districts in the province. Shandong organized the implementation of 5,221 projects at the county level and above. Their total investment amount reached 10.09 billion yuan, creating an output value of 42.84 billion yuan and increasing profits and tax payments by an additional 10.15 billion yuan. There were 406 achievements that received Spark Plan awards from the state and Shandong Province.

Based on relevant state regulations, Shandong Province drew up measures to encourage and reward Spark Plan projects. The number of Spark Plan projects at and above the provincial level have increased at a rate of 18 percent every year since 1988. Over 20,000 scientific and technological personnel participated in the implementation of Spark Plan projects in Shandong by contracting or undertaking a project, and by making joint efforts to promote development during the past decade. Financial departments invested a total of 4.55 billion yuan in Spark Plan projects. Their input-output ratio exceeded 1:4, producing good economic returns.

Shandong's Spark Plan was designed to mainly serve village and town enterprises. Directing their efforts against the poor quality of the personnel of village and town enterprises, their backward technologies and equipment, and poor management, scientific and technological personnel of the Spark Plan carried out coordinated input in terms of technologies, trained personnel, funds, and equipment, thereby effectively promoting village and town enterprises' technical advance. In the past decade, Shandong's Spark Plan implemented a total of 4,438 projects aimed at promoting village and town enterprises' technical advance, popularized 5,000-plus new technologies, and developed 4,325 new products. Among them, 1,471 newly developed products reached the advanced level in China. They nurtured 34 key enterprises whose output value exceeded 100 million yuan and whose profits and tax payments exceeded 10 million yuan.

Shandong Province arranged more than 780 Spark Plan projects for the sectors of crop cultivation, fish breeding, poultry raising, tree planting and orchard cultivation, and processing of agricultural and sideline

products. Shandong attached importance to training qualified personnel in the course of implementing the Spark Plan. Shandong has set up 212 Spark Plan personnel training bases and trained 3.5 million qualified personnel, thereby creating a contingent of backbone peasant technicians of a relatively high level.

Shanghai Gives Priority to Computer Industry

OW0308063995 Beijing XINHUA in English
0610 GMT 3 Aug 95

[FBIS Transcribed Text] Shanghai, August 3 (XINHUA) — The computer industry in this largest economic center of China has scaled new heights thanks to its close co-operation with foreign computer heavyweights.

Shanghai, also the country's largest city, listed the computer sector as a pillar industry at the end of 1993.

The industry reaped a total sales volume of more than 1.6 billion yuan (about 190 million US dollars) in the first half of this year, up 166 percent from the corresponding period of 1994.

Enjoying bright prospects due to its special economic position in the country, the city's computer industry has attracted wide interest from such foreign computer giants as Intel, Hewlett-Packard and NEC, which have entered into co-operation of various kinds with local counterparts.

Intel of the United States has launched a chip sealing and testing enterprise in the city; NEC of Japan has entered into an agreement with the Changjiang Group and Japan's Sony is planning to set up a monitor factory in the city.

It is reported that Sino-foreign ATM (automatic telling machine), magnetic card, monitor and notebook computer joint ventures have already been put into operation.

The city has also succeeded in the development of the much publicized "Golden Card" (electronic currency) project, which is taken as a point of penetration in local computer application and development.

To date, the Shanghai branches of the Industrial and Commercial Bank of China, the Communications Bank of China, the Bank of China, the Construction Bank of China and the Agricultural Bank of China have been incorporated into the Shanghai Golden Card Engineering Exchange Center, where the ATM network is now in operation.

By the end of June this year, the city had 615 ATMs and 3.81 million credit cards.

Shanghai aims to maintain the country's leading position in computer application and reap a sales volume of 20 billion yuan (about 2.3 billion US dollars) by the end of this century.

Southwest Region

NPC Inspects Tibet's Regional Autonomy Law Enforcement

OW0208120695 Beijing XINHUA Domestic Service in Chinese 0041 GMT 23 Jul 95

[By reporter Wu Hao (0124 4110)]

[FBIS Translated Text] Lhasa, 23 Jul (XINHUA) — In the past three decades since the establishment of the Tibet Autonomous Region, the regional autonomy system for minority nationalities has revealed its growing vitality. The implementation of the law on regional autonomy has brought about a situation characterized by social stability, unity among nationalities, and vigorous development in all fields of endeavor. This is the conclusion reached unanimously by an inspection group from the National People's Congress (NPC) Nationalities Committee after visiting Tibet Autonomous Region.

The NPC Nationalities Committee's inspection group, headed by Chairman Wang Chaowen, inspected Tibet from 6 through 20 July. During the inspection, the group listened to work reports by the autonomous regional people's congress Standing Committee and the autonomous regional people's government; and visited Nyingchi, Shannan, and Xigaze Prefectures.

The inspection group pointed out that the regional autonomy law has been thoroughly implemented in Tibet. Autonomous organs at all levels have been continuously established and improved in Tibet, while a large number of Tibetan and other minority nationality citizens have joined autonomous organs at all levels to directly manage affairs of their own ethnic groups, thereby guaranteeing the position of minority nationalities as their own masters. In line with the provisions of the Constitution and the regional autonomy law, the autonomous region has stepped up the building of ethnic legal system in light of the realities in Tibet. Since the promulgation of the regional autonomy law, Tibet has drawn up a total of 64 local statutes and resolutions and decisions on laws to guarantee the rights of ethnic people in Tibet to manage their internal affairs on their own, while guaranteeing the people's democratic rights.

In accordance with the requirements of the regional autonomy law, Tibet has exerted great efforts to train Tibetan and other minority nationality cadres, and has built a multinational contingent of cadres with Tibetans as the main. Meanwhile, Tibet has done a tremendous job

in improving the structure of ranks of cadres by assigning minority nationality cadres to various specialized, technical, and managerial posts so that ethnic minority cadres can adapt themselves to Tibet's economic construction and social development. At present, minority nationality cadres account for 72.1 percent of the total number of cadres and 73.7 percent of the specialized and technical cadres in the autonomous region.

The policy on freedom of religious belief has been implemented correctly and in its entirety. Venues for religious activities throughout the region have been gradually rebuilt, repaired, and reopened, basically satisfying believers' religious needs. Meanwhile, the region has also restored and established the Tibet Chapter of the Buddhist Association of China and other patriotic religious organizations, and has revived traditional religious and ethnic festivals.

To further implement the regional autonomy law in all fields, Tibet has stepped up efforts to draft the "regulations on regional autonomy in Tibet." So far, groundwork for a preliminary draft has been completed.

Wang Chaowen pointed out: After inspecting the implementation of the regional autonomy law in Tibet, the NPC Nationalities Committee concludes that the people of all nationalities in Tibet are united, and society as a whole is stable. The autonomous region has scored notable achievements in economic and social development; and cultural, educational, scientific, and technological undertakings have developed rapidly. The people throughout the region are in high spirits, and the regional autonomy system has taken a deep root in the vast land on the roof of the world.

Yunnan Secretary on Coping With Earthquake Aftermath

HK0308050895 Kunming Yunnan People's Radio Network in Mandarin 1000 GMT 26 Jul 95

[FBIS Translated Excerpt] On the morning of 25 July, the Yunnan Provincial CPC Standing Committee meeting heard a report from the provincial government on conditions of the strong earthquake and disaster relief in Menglian Dai-Lahu-Va Autonomous County on the Sino-Burmese border, and made further arrangements for work in providing relief and restoration.

At 0545 on 12 July, an earthquake of a magnitude of 7.3 shook the western part of Yunnan's Menglian County on the border of Kunming and Burma. This was another strong earthquake in the wake of the earthquakes of magnitudes of 5.5 and 6.2 in the same area on 30 June and 10 July respectively. The sway was strong in Simao, Lincang, and Xishuangbanna; Menglian, Ximeng, Lancang, and Menghai Counties suffered great

losses, resulting in 11 deaths and 136 casualties, and buildings with a total floor space of 5.2688 million square meters were damaged; infrastructure such as water and power supply, communications and transportation, and posts and telecommunications installations were destroyed to various degrees, incurring direct economic losses amounting to 319 million yuan. Especially heavy losses were incurred in buildings and equipment of schools, hospitals, and institutions. Statistics show that 329 primary and secondary schools and 143 medical centers were severely damaged.

Because of the provincial seismological bureau's relatively accurate forecast on the recent earthquake, governments adopted effective countermeasures, and the masses were well prepared for the earthquake; hence, greater losses were prevented. [passage omitted]

Provincial Party Committee Secretary Gao Yan indicated that marked results were scored in precaution against the recent strong earthquake because of the attention from the leadership, coordination on all sides, effective command, and working in a down-to-earth manner; at the same time, he reminded participants to notice the serious injuries and great losses resulting from the earthquake as well as the great difficulties and arduous tasks ahead. Comrade Gao Yan set out a five-point proposal on work in the next phase. First, augment leadership and brace up; leading cadres must go deep among the masses, relying on and mobilizing them to do a good job of providing disaster relief and restoration; it is imperative to give play to the vanguard and exemplary role of party members to do a good job of providing for and helping oneself by engaging in production, restoring and developing production as quickly as possible. Second, it is imperative to do a good job of making arrangements for the masses' livelihood in afflicted areas. Priority must be given to solving grain supply. The masses in afflicted areas must be fed; the wounded and sick must promptly come under medical treatment; it is imperative to prevent the spread of epidemics in the wake of the flood. The masses must have a place to live. School buildings must be repaired to guarantee school opening on 1 September as scheduled. It is imperative to grasp firmly the restoration of water and power supply, telecommunications, and bridges, especially power supply. Third, it is imperative to persist in doing two types of work simultaneously, attaching equal importance to both, enhance ideological, propaganda, and public security work, and resolutely crack down on those lawbreakers who take advantage of others' misfortune to do them harm. Fourth, work in restoration and reconstruction calls for efforts from all sides; the provincial party committee and government have decided to organize 43 provincial departments and bureaus to contact with the

43 afflicted townships and towns, with one department or bureau taking whole responsibility for one affected township or town; they will help in work of restoration and reconstruction in the criteria for new socialist countryside. [passage omitted] And fifth, it is imperative to continue to augment seismic monitoring work. [passage omitted]

North Region

Inner Mongolia Secretary Discusses Geological Work

SK0308104395 Hohhot NEIMENGGU RIBAO
in Chinese 14 Jul 95 p 1

[FBIS Translated Text] On the afternoon of 9 July, Liu Mingzu, secretary of the autonomous regional party committee; and Wu Liji, chairman, and Song Zhimin, vice chairman of the autonomous region; held a discussion with Song Ruixiang, minister of geology and mineral resources; on coordinating reform of geological and mineral resources work with local economic development, and on expediting implementation of Inner Mongolia's strategy of transforming its advantage in resources.

Song Ruixiang and his party of seven arrived in Inner Mongolia on 5 July. He inspected the Inner Mongolia Mineral Resources institute, and six geological prospecting units, including the No. 2 and No. 5 Geological Prospecting Institutes; and visited the Baiyunebo mining area and Baotou Iron and Steel Company to learn about the exploitation and utilization of resources.

Song Ruixiang said during the discussion: This is my first visit to Inner Mongolia. Seeing such a good place, I am very impressed. In particular, with a vast territory and extremely abundant mineral resources, Inner Mongolia has great potential and sustained capacity for economic development. Geological and mineral resources departments should conduct secondary exploitation according to the geological information they have already gained to serve local economic development. Local authorities and geological teams should cooperate in running mines so that they can eliminate poverty together.

Wu Liji said: Geological workers have played an important role in Inner Mongolia's economic construction. We are very honored and pleased to have such a contingent. Developing mining industry is an important way to eliminate poverty and achieve prosperity. Darhan Muminggan Joint Banner has achieved financial sufficiency by developing iron and gold mines. A township in Wuchuan County has also promoted the economy and shaken off poverty by developing gold mines. Developing mineral resources is a way to make the people prosper.

Liu Mingzu said in his speech: Transforming resources is the major strategic measure for Inner Mongolia's economic development. Inner Mongolia's industrial development depends chiefly on resources, especially underground resources, and geological and mineral resources departments have made immortal contributions in Inner Mongolia's history of development. Without the geological information they have provided, the transformation of resources would have been impossible. We should use the available geological and mineral resources information still better to serve economic development. Right now, it is very difficult for geological departments to enter the market economy. Their information should be used with reimbursement.

Liu Mingzu emphasized: It is a very good method for geological prospecting units and local authorities to cooperate in developing mines. Geological and mineral resources departments should take the initiative in informing local governments of the geological conditions and mineral resources, suggest ways of development, and offer ideas of cooperation with local governments in exploitation, so that both sides can benefit. We should never let only the locality become prosperous and the geological department remain poor after mines are developed. They should develop together. Liu Mingzu said: As geological and mineral resources departments have many difficulties, local governments should help them resolve difficulties. "When you drink water, think of the persons who sank the wells." When Inner Mongolia achieves economic development, it should never forget the pathbreakers.

Leading comrades of the autonomous regional planning commission, the autonomous regional geological and mineral resources department, and the Inner Mongolia geological prospecting bureau of the Ministry of Geology and Mineral Resources were also present at the discussion.

Northeast Region

Heilongjiang Province Holds CPC Plenum 31 Jul

SK0108111395 Harbin Heilongjiang People's Radio Network in Mandarin 1100 GMT 31 Jul 95

[FBIS Translated Text] The fourth enlarged plenary session of the Seventh Heilongjiang Provincial CPC Committee opened in Harbin on 31 July. The plenary session is chiefly aimed at implementing the spirit of directives given by the central leading comrades, including Jiang Zemin; at discussing the issue of turning Heilongjiang, which is largely engaged in farming, into a strong agricultural province as soon as possible; at implementing the spirit of national conference on science and technology; and at discussing and formulating plans for implementing the decisions made by the CPC Central Com-

mittee and State Council with regard to accelerating the scientific and technological progress.

The plenary session this morning was presided over by Wang Jiangong, deputy secretary of the provincial party committee. Yue Qifeng, secretary of the provincial party committee, delivered a work report entitled "Seize the Opportunity, Accelerate Development, and Turn Heilongjiang, Which Is Largely Engaged in Farming, Into a Strong Agricultural Province as Soon as Possible." Tian Fengshan, deputy secretary of the provincial party committee and governor of the province, delivered a speech to explain the plan for turning Heilongjiang, which is largely engaged in farming, into a strong agricultural province.

Seated on the session's rostrum were provincial leaders including Ma Guoliang, Meng Qingxiang, Yang Guanghong, Wang Xianmin, Yu Jingchang, and Suo Changyou.

Yue Qifeng stated in his report: The successive inspection tours recently made in the province by the central leading comrades, including Jiang Zemin, Qiao Shi, Liu Huaqing, and Jiang Chunyun, as well as comrades including Li Peng, Li Ruihuan, Zhu Rongji, Hu Jintao, Zou Jiahua, Li Lanqing, and Wu Bangguo, have respectively heard in Beijing the work reports given by the provincial party committee and provincial people's government, and have fully reflected that the CPC Central Committee and State Council have shown their concerns for Heilongjiang Province. The central leading comrades have confirmed that the province has seen an improvement in its work and made achievements over the past year. They have also given important directives to future work. In order to implement the spirit of directives given by the central leading comrades, the province should do a good job in emphatically grasping the following eight key tasks in the second half of this year: 1) We should continuously do a good job in grasping the study of Volume I, Volume II, and Volume III of Deng Xiaoping's selected works, as well as the study of the outline of Deng Xiaoping's theory of building socialism with Chinese characteristics. 2) We should be based on the current work, should formulate far-reaching plans, and should strive to reap a bumper agricultural harvest this year by combating disasters. 3) We should apply new ideas to boosting state-owned large and medium enterprises. 4) We should actively open the second battlefield of economic development. 5) We should earnestly implement the spirit of the national conference on science and technology, and enforce the strategy of having science and technology make the province prosperous. 6) We should do a good job in conducting reform among organs and in allocating cadres, and should further improve the environment of economic development. 7) We

should do a good job in formulating the Ninth Five-Year Plan and the outline of the plan for 2010. 8) We should further do a good job in maintaining social stability.

In his report, Yue Qifeng emphatically elaborated the issue of turning Heilongjiang, which is largely engaged in farming, into a strong agricultural province. He stated: Turning Heilongjiang, which is largely engaged in farming, into a strong agricultural province represents the important and great move adopted by the province in realizing the strategic target of taking three steps. Currently, the province is facing extremely good opportunities for building itself into a strong agricultural province, which are as follows: 1) The CPC Central Committee and State Council have attached great importance to agriculture, and have particularly placed their ardent hopes on the province's agriculture. 2) The contradiction between demand and supply of farm and sideline products has been prominent, market prices have been promising, and the peasants' enthusiasm has been unprecedentedly high. 3) Township enterprises have maintained a trend of forceful development. 4) Both domestic and foreign investors have generally been interested in the province's agricultural resources; a good trend has taken shape in which outside firms and businessmen are investing in the province in succession and intend to sign contracts on projects with the province.

Yue Qifeng pointed out: The general guiding ideology for the province's agriculture and rural work in the coming period is to earnestly implement a series of principles and policies issued by the CPC Central Committee and State Council with regard to developing agriculture as well as, in line with developing agriculture with high yield, fine quality, and high benefit, to uphold the programs of reform and opening up; to expedite the program of having science and education make the province prosperous; to enhance basic construction; to enforce the strategy of industrialization; and to strive to spend 15 years on making an important and great breakthrough in the development and utilization of state land, in total grain output, and in the aggregates of rural economy so as to build Heilongjiang into a strong agricultural province with the largest production bases of grains and animal by-products in the country; with bases of foodstuff, fodder, and forest industry; and with effective supplies of farm products and the highest peasant incomes in the country. In fulfilling this target, we should take the following two steps: 1) From now until 2000, we should prefulfill the target of being better-off. 2) By 2010, the province should go from being better-off to wealthy and should turn itself into a strong agricultural province.

Yue Qifeng pointed out: In building the province into a strong agricultural one, it is imperative to uphold the

programs of reform and opening up as well as make an important and great breakthrough in the development and utilization of state land. It is also imperative to rely on scientific and technological progress to vigorously expedite the green revolution in which the breeding, imports, and popularization of fine strains should be regarded as a mainstay, as well as the white revolution, in which the greenhouse planting technologies on reserved land will be applied. Based on allowing household-run businesses, it is imperative to expedite industrialized businesses; to give priority to one-axe industries and animal husbandry; and to develop two-pillar industries, the processing industry of farm and sideline products, and the construction and building materials industry.

Yue Qifeng stressed: In building the province into a strong agricultural one, it is imperative to enhance the party's leadership over agriculture and rural work. We should establish the system of commanding the policy decisions in an all-round manner, the system of expediting the enforcement of policy decisions, the system of protecting the services in all directions, the system of raising funds through multiple channels, and the system of carrying out extra-advanced research and calculations.

Tian Fengshan stated in his speech: The plan for building Heilongjiang, which is largely engaged in farming, into a strong agricultural province has been formulated in line with the earnest analysis over the experience and status quo created by the province as a whole in developing the rural economy, by extensively soliciting opinions from various social circles, by fully carrying out appraisal, and according to the repeated revisions made through the discussions held by the provincial party standing committee. Judging from the reality of developing the rural economy over the past five years, major economic targets set in the plan for growth are active and adequate. Judging from the foundation of developing main industries and the potential of development, various targets set for fulfilling the plan are totally feasible. Judging from the active factors of promoting the development of the rural economy, the strategic targets set for fulfilling the plan on schedule are full of hope.

Tian Fengshan pointed out: Enforcing the strategy of industrialization represents a fundamental way to build Heilongjiang into a strong agricultural province. We should give priority to the three focal points of grain, animal husbandry, and township enterprises in building Heilongjiang into a strong agricultural province. Relying on reform, science and technology, and investment represents a basic guarantee for building Heilongjiang into a strong agricultural province. Party committees and

governments at all levels must successfully and realistically grasp the implementation of various strategic measures according to the basic strategy set in the plan and by firmly bearing their local reality in mind.

Attending today's plenary session were 38 members and 11 alternate members of the provincial party committee; party-member vice chairmen of the provincial people's congress Standing Committee; vice governors, special advisers, and assistants to the governor from the provincial people's government; party-member vice chairmen of the provincial Chinese People's Political Consultative Conference committee; secretaries from the party committee of various cities and prefectures as well as mayors and commissioners of various cities and prefectures; secretaries from the party committee of various counties and county-level cities; and principal responsible comrades from the provincial level units.

Liaoning Secretary on Rejuvenating Economy

SK3107044995 Shenyang LIAONING RIBAO
in Chinese 30 Jun pp 1,2

[By reporter Pu Ruomei (5543 5387 2734)]: ["Secretary Gu Jinchi Calls On Leading Cadres To Grasp Historical Favorable Opportunities To Rejuvenate Liaoning's Economy at the Meeting of Leading Cadres on 28 June"]

[FBIS Translated Text] The provincial party committee and government cosponsored a meeting of leading cadres at the Liaoning People's Theater in Shenyang on the morning of 28 June. Wen Shizhen, deputy secretary of the provincial party committee and provincial government governor, chaired the meeting. Present at the meeting were leading comrades of the provincial party committee, the provincial people's congress Standing Committee, the provincial government, and the provincial committee of the Chinese People's Political Consultative Conference; veteran comrades leaders at or above the deputy provincial-level; leading comrades of the provincial Discipline Inspection Commission; secretaries of city party committees; city mayors; vice mayors in charge of scientific and technological work; chairmen of the provincial Scientific and Technological Committee, the provincial Planning Committees, and the provincial Committee for Foreign Economic Relations and Trade; chairman of the provincial association of scientists; members of the leading bodies of departments and commissions under the provincial party committee, of departments under the provincial government, and of units directly under the province; responsible comrades of the provincial department in charge of the overall economic work and key industrial departments and bureaus; responsible comrades of some large and medium enterprises, civilian-run scientific and technological enterprises, universities and colleges, and

scientific research institutes; and academicians of the Chinese Academy of Sciences and the Chinese Academy of Engineering.

At the meeting, Cao Bochun, deputy secretary of the provincial party committee; Xu Wencai, Standing Committee member and secretary general of the provincial party committee; and Xiao Zuofu, Standing Committee member of the provincial party committee and vice governor of the provincial government, respectively relayed a series of important speeches made by General Secretary Jiang Zemin and Vice Premier Wu Bangguo made during their visits to Liaoning and northeast China.

Gu Jinchi, secretary of the provincial party committee, made a speech on how to study and implement the guidelines of the instructions of central leading comrades.

Gu Jinchi pointed out: The party Central Committee and State Council have paid full attention to our province's achievements in achieving state-owned large and medium enterprises and in transforming and readjusting the old industrial base. In early June, Vice Premier Wu Bangguo, entrusted by Premier Li Peng, guided some responsible comrades of the 16 departments under the State Council to handle affairs on the spot in Liaoning. In five days' time, General Secretary Jiang Zemin personally inspected our province. On 26 June in Changchun, General Secretary Jiang sponsored a forum attended by principal leaders of the three provinces in northeast China and representatives of some state-owned large and medium enterprises. Thus, leading cadres at various levels in the province should conscientiously study and implement the guidelines of the central leading comrades' important speeches, seek unity of thinking, be inspired with enthusiasm, enhance confidence, and rejuvenate Liaoning's economy. On several occasions during their inspections, the central leading comrades mentioned that Liaoning's contributions, difficulties, potentials, and prospects are great. This is the best summary of our provincial situation, not only affirming our work but also setting demands on and encouraging us. We should notice the development of the situation and understand that the difficulties ahead of us will surface in the course of advancing, appearing in the special historical period when the old systems are replaced by the new. When we work hard according to the guidelines of the instructions of central leading comrades and in line with the reality of Liaoning; foster the confidence in successfully tiding over difficulties; ceaselessly emancipate the mind; and gradually foster the new idea of the market economy, only then will our province be able to rapidly develop its economy.

Gu Jinchí stated: General Secretary Jiang and Vice Premier Bangguo affirmed the draft idea for rejuvenating Liaoning's old industrial base and the draft plan for transforming and readjusting the old industrial base, both formulated by the provincial party committee and government, and helped us further sort out ideas in line with the national economic development situation. Thus, we have new ideas for grasping the overall situation and for controlling macroeconomic law. Gu Jinchí stressed: We should pay particular attention to the following few points when sorting out the idea of transforming and readjusting the old industrial base.

First, change the economic growth form from extensive management to intensive management, and increase the quality and efficiency of economic growth. Gu Jinchí said: We have not profoundly understood this issue for a long period of time. Under the planned economic system, our province took the path of mainly relying on the increase of capital and the input of natural resources to develop the economy, did not pay sufficient attention to the reasonable distribution of natural resources or the optimum organization of property, quality, and efficiency. This time, General Secretary Jiang fully stressed the need to change the economic growth form; to pay attention to the asset liability ratio; to overcome the tendencies of blindly developing projects, increasing input, and lopsidedly seeking speed; and to really push the economic growth form to the orbit of upgrading quality and efficiency.

Second, persistently select the best and support the strong, concentrate energy, stress key points, and form an overall advantage for Liaoning's economic development. Gu Jinchí pointed out: General Secretary Jiang Zemin affirmed Liaoning's superiority in the petrochemical, metallurgical, electronic, and machinery industries. Vice Premier Bangguo also said that these four pillar industries conformed to the state industrial policies and the situation of Liaoning Province. In the past, our province failed to have definite targets, concentrate energy, and have a high starting point in prominently grasping key points. With industrial advantages, our province has no superiority of large-scale, high-quality industrial chains. With a group of the enterprises standing among the best in the whole country, our province does not have enterprise groups with influential power over the whole country. Although our province has a number of famous-brand products, most of them are produced in small batches, do not have high market occupation rates, and do not produce great impacts on the whole country. We should sum up lessons; resolutely change the situation characterized by "scattered investment," "small economic scale," and "low technological level"; and concentrate financial, material, and

human resources on developing pillar industries, key enterprises, and key products to promote the rejuvenation of the old industrial base.

Third, cater to the international and domestic markets and further expand the scale of opening to the outside world. Dalian city has an exceptionally unique geographic advantage in the Bohai Rim Economic Zone. The city has developed a good foundation since its opening to the outside world over the past 10 years or so. Particularly, it has great prospects for taking the vast hinterland of Liaoning and northeast China as support. Thus, further opening to the outside world is conducive to using foreign capital, technologies, markets, and managerial experience; enhancing the old industrial base financial capacity; and promoting the "graft" transformation of the old industrial base. It is also an important way for transforming the old industrial base and state-owned large and medium-sized enterprises.

Fourth, persistently combine reform with transformation and reorganization. To achieve the transformation and readjustment of the old industrial base, we must combine reform with transformation and reorganization; break with the long-term barriers between different regions and between different departments in terms of natural resources, property, and skilled persons; realize the reasonable distribution of natural resources and the optimum organization of property according to the requirements for socialized mass production; advocate the division of work and cooperation on a specialized basis; and form regional economic advantages. We should ceaselessly smash the thinking of small-scale business and the thinking of closeness and make markets play a function for optimizing the distribution of natural resources and the organization of production factors. Through reform, transformation, and reorganization, we should set up a group of transregional enterprise groups embracing several trades and several departments, form group advantages, and enhance competitiveness on domestic and international markets.

Fifth, we should implement the three major strategies of optimizing the structure, promoting the entire work through the export-oriented economy, and "developing Liaoning with science, technology, and education." General Secretary Jiang and Vice Premier Bangguo fully affirmed Liaoning's ideas and methods of implementing these three major strategies, emphasizing that Liaoning should accelerate the adjustments of the ownership structure, industrial composition, product mix, and the enterprises' organizational structure, and should bring into full play its industrial advantage, advantage as an industrial base, and scientific and technological advantage to organize a large number of enterprise groups and to push the products with a high technological level to

the world market. Meanwhile, they urged us to increase efforts in absorbing foreign capital and developing the export-oriented economy. These important concepts expounded by the central leading comrades hit home in Liaoning's economic development and clarify Liaoning's potential and hope. Proceeding from the need to develop Liaoning's overall advantages, we should learn from the advanced experiences and methods of Shanghai, Guangdong, and other areas, make conscientious efforts to find out where we lag behind, and study countermeasures to truly implement the three major strategies to the letter, so that Liaoning will achieve substantial improvement in the quality and level of its economic development.

Gu Jinchu emphasized in his speech: The technical transformation and restructuring of the old industrial base of Liaoning is a cross-century project, of which problems can be solved once and for all only through the hard work after two or three Five-Year Plan periods. This requires that we make overall plans and take all factors into consideration, combine long-term plans with short-range plans, pay attention to both long-term strategic adjustment and current work, and strive to fulfill the annual economic and social development plan. He pointed out: Liaoning's current economic situation is good on the whole. Industrial production has begun to pick up despite difficulties; agricultural production and the rural economy are promising, the peasants' grain production enthusiasm is notably rising, and township industries maintain high-speed growth; the export-oriented economy has made new headway, and exports have increased substantially; and the financial and banking situation remain stable. Compared with the same period last year, the January-May revenue showed an increase of 31.3 percent. Major problems in Liaoning's economic development are 1) the low quality and efficiency of economic growth, 2) the increasingly larger shortfall in production funds, and 3) the increase in the destabilizing factors in society.

Gu Jinchu urged the party committees and governments at all levels in the province to achieve success in the following work while making great efforts in planning technical transformation and restructuring.

A. We should conscientiously make rural economic work successful and strive to increase production and income simultaneously. As all crops are growing well, we should lose no time in carrying out field management. In view of the possible disasters, we should formulate various plans to turn the passive method of combating disasters into active efforts. We should continue the comprehensive agricultural development, actively develop the diversified economy, and implement the mayor responsibility system for persistently carrying out the "vegetable basket" projects to ensure balanced market supplies.

In the meantime, we should improve the production of rural animal husbandry, aquaculture, and processing of farm and sideline products. In addition, we should continue to greatly promote township enterprise development. Focusing on "quality, efficiency, environmental protection, and safety," we should adhere to the development principle of "giving different guidance according to different conditions and promoting the whole work," and make great efforts to upgrade the standing, level, scale, and economic efficiency, so that township enterprises throughout Liaoning will have new development this year.

B. We should successfully grasp the adaptable readjustment of production and adopt every possible means to do a good job in conducting industrial production. In line with the market demands, we should do a good job in carrying out adaptable readjustment in production. Efforts should be made to adopt various measures to increase the output of products that are enjoying brisk sales and in short supply, to reduce the products with mediocre sales, and to stop the production of unsalable products. We should formulate plans for opening a large number of "short-plain-fast" projects with less investment and high benefit, support these projects to be put into production as soon as possible, and have the products turned out from these projects rapidly enter markets. Attention should be paid to successfully having the capital building projects under construction and the winding-up projects of technical renovations be put into production or reach the productive standard so as to form new growing points and to result in benefits as soon as possible. We should gradually implement the classified guidance among enterprises and direct better enterprises to standardize their business, to broaden their markets, and to make more contributions. As for enterprises suffering difficulties, we should help them readjust their products' mix, enhance their management, and get rid of their passive state of affairs by relying on the forces of the broad masses of staff members and workers. As for enterprises with the suspension or semi suspension of production, we should enforce bankruptcy, merger, and association, respectively, among them so as to bring about a change as soon as possible to the phenomena in which "they are unable to improve their production but cannot close down immediately." We should continuously expedite the enterprise reform, accelerate the pace in reform, reinforce the dynamics in it, and pave a new road through practice in line with the measuring standard of "three advantages". A good job should be done in creating something new in enterprise systems and in conducting the pilot work to "optimize the capital structure." We should support the key enterprises along with readjusting the industrial structure and

select a large number of large enterprises and companies to form enterprise groups whose products with competitiveness are playing a leading role and whose assets are forming a belt. We should make best use or enliven the existing policies, make a breakthrough in the difficult points of work, and realistically score results. For example, as for the state-owned enterprises that have suffered losses year after year, had serious debts deducted with their assets, and have had no value for renovation, we should reinforce the dynamics in enforcing bankruptcy and accelerate the reform in the property right systems. We should concentrate our efforts on invigorating the stock assets and on optimizing the structure of assets. By setting up guiding orientation with the enforcement of policies, we should encourage enterprises with strong points to carry out association and merger with money-losing enterprises. We should conduct strict management and seek benefits from enhancing management. Efforts should be made to summarize or popularize the large number of good and typical experiences gained in the managerial work and to analyze one by one the enterprises across the province, which have suffered serious losses. We should study the problems cropping up in the managerial work and formulate measures to deal with these problems so as to improve enterprise management to a new level.

C. We should enforce the strategy of having the export-oriented economy bring along development and further broaden the opening up. Efforts should be made to bring into play the "leading" role of Dalian in opening the province to the outside world so as to enable Dalian to become the "window" of opening the province as a whole and Northeast China to the outside world. Other cities should actively make better use of the window to develop themselves and to form the organic integration between the window and the hinterland. We should reinforce the dynamics in inviting foreign business and bringing in foreign capital and upgrade the quality and level of utilizing foreign funds. A good job should be done in grasping implementation in line with the target of having 100 large and medium-sized enterprises carry out "technical grafting" and renovations in the year and by persistently regarding as a focal point the "technical grafting" and renovations undertaken by the outdated enterprises. We should make efforts to successfully grasp the projects of inviting foreign business, which have been set in the plan for carrying out renovation and readjustment among the outdated industrial bases. We should also adopt effective measures to promote the signing of contracts for these projects and the enforcement of these projects. A good job should be done in continuously readjusting the structure of export products and in actively increasing foreign exchanges earned through exports. We should maintain the good

trend of higher growth scored in the first five months of this year in the exports made through foreign trades. A good job should be done in carrying out structural readjustment by persistently regarding as a focal point the products of electric machinery and the light and textile industry as well as farm products that can earn foreign exchange. We should emphatically and successfully grasp the production of "leading" export products and the work to build the bases of export goods sources so as to fulfill the annual target of earning \$5.8 billion of foreign exchange from the exports of local products.

D. We should correctly handle the relationship between reform, development, and stability, and strive to create a good social environment. Regarding the enterprises' poor economic efficiency, some of the staff and workers' difficulties in life, and market prices, party committees and governments at all levels should pay close attention to them and make conscientious efforts to address them with both stopgap and radical measures.

Gu Jinchi said: We should strengthen party building, with the focus on leading bodies, in order to ensure completion of all the work for the year.

The end-of-term reshuffle of the party committees of the 14 cities in Liaoning has by and large completed, and the leading cadres of some units directly under the province have also been reshuffled recently. Right after they are organized, the new leading bodies are faced with the important opportunity presented by the formulation of the plan for the technical transformation and restructuring of the old industrial base of Liaoning. Party committees at all levels must clearly understand their glorious mission, shoulder the heavy tasks entrusted by history, and, availing themselves of the great attention and support given by the party Central Committee and the State Council to Liaoning's economic development and taking advantage of the reshuffle to encourage cadres and the masses to plunge into economic construction, adopt a new attitude, new work drive, and new work style to achieve success in work and regain prestige in response to the kind concern of the party Central Committee and the State Council.

Wen Shizhen emphasized at the end of the meeting: To implement the guidelines of the speeches of General Secretary Jiang Zemin and Vice Premier Wu Bangguo, we should, first, continue to emancipate the mind, change concepts, and unify thinking. We should continue the discussions on the socialist market economy to address such problems as outdated ideas, narrow field of vision, and lack of confidence. Second, we should uplift the spirit and make earnest efforts to carry out practical work. Not much time is left until the end of

this century. The decision of the party Central Committee and the State Council to support Liaoning's technical transformation and restructuring of its old industrial base has provided a rare opportunity for Liaoning to accelerate its economy development. It can be regarded as the last opportunity of this century. We must race against time, carry out all work vigorously and speedily, and never find fault or discuss with empty words. Third, we should further clarify the guiding thoughts and concepts for economic work, clearly define the priorities of economic development, handle well the relations

between various sectors, persistently rely on our own efforts, and play our own cards well. Fourth, we should institute a strict responsibility system, and pay close attention to fulfillment of all work. In particular, relevant departments should assign special personnel to track the implementation of the projects that require the coordination of various state ministries and commissions and the supplies of necessary supporting funds and policies so that they can make contributions to the technical transformation and restructuring of the old industrial base.

Commentator Views Li's Stand on Independence
*OW0208135395 Beijing XINHUA Domestic Service
in Chinese 0845 GMT 2 Aug 95*

[Commentary by unidentified XINHUA commentator: "The Protective Umbrella and Chief Behind-the-Scenes Backer of 'Taiwan Independence' — Commenting on Li Denghui's Statements and Actions on 'Taiwan Independence'"]

[FBIS Translated Text] Beijing, 2 Aug (XINHUA) — Since Li Denghui [Li Teng-hui] came to power, people have never stopped questioning whether he leans toward reunification and independence. Although Mr. Li has repeatedly explained during public appearances that he does not pursue "Taiwan independence," he has failed to convince people. Ample facts show that he not only possesses deep-rooted ideas in favor of "Taiwan independence," but has also used the power at his disposal to condone "Taiwan independence." He has become the protective umbrella and chief behind-the-scenes backer of elements in favor of "Taiwan independence."

In his early years, Li Denghui had all kinds of dubious relationships with elements in favor of "Taiwan independence." Peng Mingmin [Peng Ming-min], dubbed the "Godfather of Taiwan Independence," has had close relations with him. While studying at Cornell University in the United States, Li Denghui mingled with elements in favor of "Taiwan independence," and treated many core members of the overseas-based "World United Formosans for Independence" as guests of honor. He has chronically maintained close relations with the Taiwan Presbyterian Church that is associated with the major forces of "Taiwan independence" on the island. He is a devout adherent and faithful member of this organization in favor of "Taiwan independence."

After coming into office, Li Denghui quickly opened the way for forces in favor of "Taiwan independence" to enter Taiwan to carry out their activities. In 1990, a "Conference on State Affairs" was held at his suggestion. Elements in favor of "Taiwan independence" were released from prison after being granted amnesty, and overseas "Taiwan independence" leaders Peng Mingmin and others were invited to return to Taiwan to "discuss state affairs." These former prisoners and convicts who had been locked up or wanted by the Taiwan authorities became Li Denghui's guests of honor, "worthies," and "advisers." The island's media called the conference a precedent-setting occasion where the Taiwan authorities and the forces of "Taiwan independence" openly came in contact with each other. In the name of "constitutional reform," Li Denghui subsequently directed the amendment of laws and regulations designed to keep "Taiwan

independence" in check so as to legalize "Taiwan independence" propositions and activities, and to permit organizations and overseas elements in favor of "Taiwan independence" to return to Taiwan.

Precisely because of Li Denghui's protection and connivance, forces in favor of "Taiwan independence" have grown rapidly on the island, and activities in support of "Taiwan independence" have run wild in recent years. The bane of "Taiwan independence" has been let loose on Taiwan Island, becoming a reactionary force that influences Taiwan's political situation, opposes the motherland's reunification, seeks to break up Chinese territory, and betrays the Taiwan people's fundamental interests. Li Denghui bears an unshirkable responsibility for this state of affairs.

Aside from condoning and shielding "Taiwan independence," Li Denghui has also used the power at his disposal to wantonly promote his administrative concept regarding "Taiwan independence"; acted in collusion with elements in favor of "Taiwan independence" to undermine the cause of reunifying the motherland; and done things that elements in favor of "Taiwan independence" have wanted to do but have failed to accomplish. Under the pretext of the so-called "constitutional reform," he has attempted to completely sever Taiwan's ties with the mother mainland through the abrogation of the old legally constituted authority of the Kuomintang [KMT].

Although he is the KMT chairman, he regards the party as an "outside regime," and declares that "it should be changed into the KMT of the Taiwan people." Li Denghui deeply shares "the same feeling" with elements in favor of "Taiwan independence" regarding their fallacy that calls for "rebuilding Taiwan's national and cultural sense." He asserts: "Education that only teaches mainland affairs and not Taiwan's affairs is preposterous." He suggests "incorporating Taiwan's history and geography and our own roots" in Taiwan's primary and middle-school education. Li Denghui has even taken over Peng Mingmin's "Taiwan independence" slogan, and propounded an administrative concept based on "a community of shared lives among 21 million people," in an attempt to separate the interests of Taiwan compatriots and the 1.2 billion mainland compatriots, and to "sever the umbilical cord" with the mother mainland politically, legally, and culturally. This is no different from the views preached by elements in favor of "Taiwan independence" that say "China is China and Taiwan is Taiwan," and that call for a "new nation" or a "new state."

Li Denghui has even accepted the proposition of the Democratic Progressive Party and elements in favor of

"Taiwan independence," permitting the "direct popular election of the president" in an attempt to use "the election of the Taiwan president by the Taiwan people" to complete the formation of an "independent political entity" with so-called "sovereignty at people's disposal," and facilitate the promotion of "two China's" and "one China, one Taiwan" in the international community. After completing the internal struggle aimed at removing forces of mainland origin from power in 1993, Li Denghui immediately issued a "general mobilization decree on pushing for accession into the United Nations." Recently, at Li Denghui's suggestion, Taiwan's "Mainland Affairs Council" openly proclaimed the intention of "abandoning the dispute over legitimacy, legally constituted authority, and the right to represent China." The implication is that Taiwan will apply for UN membership in the name of a separate "sovereign state." This proposition, which completely tallies with that of elements in favor of "Taiwan independence," was made with the full coordination of forces in favor of "Taiwan independence."

To achieve the goal of "joining the United Nations as a sovereign state," Li Denghui has wantonly pursued "pragmatic diplomacy" in recent years as he has deliberately planned to internationalize the Taiwan issue and seek "international dignity" stemming from Taiwan independence. His visit to the United States in June was an elaborately planned major step designed to boost Taiwan's status with the help of foreigners and to achieve a "domino effect" leading to the international community's recognition of Taiwan's "political status."

Facts speak louder than words. The conclusion is clear-cut as to whether Li Denghui is in favor of reunification or independence. He will not change his stand despite his efforts to exploit the Taiwan people's "native awareness" and psychology that yearns to be "freed from humiliation" to package his ideas in favor of "Taiwan independence" and separatist intentions. Li Denghui has moved further and further along the road toward "Taiwan independence."

Commentary Criticizes Li Teng-hui Over Separatism

OW0208140295 Beijing XINHUA in English
1345 GMT 2 Aug 95

[XINHUA "Commentary": "Li Teng-hui Chief Backstage Backer for Taiwan Separatists"]

[FBIS Transcribed Text] Beijing, August 2 (XINHUA) — XINHUA NEWS AGENCY released a commentary today criticizing Li Teng-hui as the de facto chief backstage backer for "Taiwan independence" forces.

The commentary says that there are enough facts to prove that Li is not only rooted in the separatist "independence" ideology, he also uses his power to connive with separatists.

It says that Li had dubious relations with the separatists in his early years, but after assuming his present position, he could not wait to pave the way for the rise of separatist forces.

It has been under the cover and connivance of Li Teng-hui that "Taiwan independence" forces have become more rampant in the island, and have turned out to exert considerable influence on political situation in Taiwan, to oppose the reunification of the motherland, to separate China's territory, and to harm the Taiwanese people's interests. "Li bears responsibility and should be blamed for it," the commentary says.

Li also accepted the suggestion of the Democratic Progressive Party and other separatist forces that he become "president by direct election" of Taiwan, in an attempt to build up the image of an "independent political entity" of the Taiwan authority and to use "two Chinas" and "one China, one Taiwan" tactics in the international political arena.

To get Taiwan into the UN as a state of sovereignty, Li has ardently pursued his "pragmatic diplomacy" in recent years, doing everything he can to internationalize Taiwan issue, the article says.

Li's visit to the U.S. in June was a major step toward getting the international community to recognize the "political status" of Taiwan, and was an attempt to give him a higher profile in the presence of foreign powers, it explains.

"Actions speak louder than words," the commentary says, concluding that no matter how Li chooses to package his intention for "Taiwan independence" and separation, his stance will never change.

Chiang Wei-kuo Criticizes Li, 'Optimistic' on Ties

HK0208063895 Hong Kong WEN WEI PO in Chinese
29 Jul 95 p A2

[Dispatch by staff reporters Chang Chien-hua (1728 1696 5478) and Lin Hsu-chiang (2651 2485 3068): "Chiang Wei-kuo Optimistic About Cross-Strait Relations in Interview With WEN WEI PO Reporters"]

[FBIS Translated Text] Taipei, 28 Jul (WEN WEI PO)—Chiang Wei-kuo, senior politician at Taiwan's "presidential office," used the term "optimistic" [le guan 2867 6034] today to describe his view of the future development of cross-strait relations. He said: "The Chinese nation has stood up for 5,000 years, so we

cannot let a tiny handful of people run against the tide and split the country." Chiang Wei-kuo made these remarks during an exclusive interview given to WEN WEI PO reporters today at his residence in Taipei.

On the recent speeches and acts of Li Teng-hui, Chiang Wei-kuo said: "I do not want to mention anyone by name. But the current situation looks like a certain person has fallen into the sea, attempting to take the 21 million Taiwan compatriots as his hostages or lifebuoy. Indeed, there are a lot of people among the Taiwan compatriots who have been deceived." "As the focus of the mainland's attack has shifted from 'Taiwan' in general to 'Taiwan independence' and has been further focused on one person today, it will make the broad ranks of Taiwan people gradually draw a clear line of demarcation with him."

Despite the frequent change of dynasties experienced throughout Chinese history, this 80-year-old man told reporters, China can still be traced to the same origin. If there are people who want to go in for independence and do not want to be Chinese, they should no longer live on China's territory and should go somewhere else to establish a new country.

Mr. Chiang Wei-kuo, who left the mainland 46 years ago, said that he personally wants to pay a visit to his hometown. He particularly misses Suzhou, where he studied for nine years. "However, the current circumstances of Taiwan do not allow me to return to my hometown, so I will have to wait for an opportunity in the future."

Editorial Criticizes Li Teng-hui's Nuclear Proposal
HK0308072695 Hong Kong WEN WEI PO in Chinese
1 Aug 95 p A2

[Editorial: "Li Teng-hui's Nuclear Bomb a Farce"]

[FBIS Translated Text] Li Teng-hui further enhanced his efforts to advocate "Taiwan independence" following his U.S. trip. To manifest his intention to safeguard "Taiwan's sovereignty," he went so far as to echo the Democratic Progressive Party (DPP), putting on a two-man comedy on "Taiwan's development of nuclear bombs." DPP "parliament deputy" Liu Hui-hsiung proposed that Taiwan must develop nuclear weapons to "effectively deter and react quickly" to China's missile launching drill. Li Teng-hui also acknowledged undisguisedly that Taiwan "had had such a plan before." He then continued: "We should restudy our long-term position regarding whether we need nuclear weapons to protect ourselves." On the second day, Taiwan declared through its spokesman that "Taiwan absolutely does not need to develop nuclear weapons at the present stage"

and that "Taiwan's nuclear research is limited to peaceful purposes."

In his statement, Li Teng-hui apparently wanted the media to focus its attention on the "possibility" of Taiwan's nuclear development.

The identical tune sung by Li Teng-hui and the DPP on the question of nuclear development is extremely dangerous. This shows that they are possessed with rejecting peaceful reunification and pursuing Taiwan independence, and that they will spare no effort to incite nuclear development propaganda, which is bound to aggravate the already-tense situation across the strait.

During the late 1980's, Chang Hsian-yi, deputy director of Taiwan's Central Science Research Institute, suddenly left for the United States, where he disclosed Taiwan's plans and actions regarding its nuclear development program. The exposure attracted attention of the Western nuclear powers, which exerted pressure. As a result, Taiwan had to suspend its program and dismantle the heavy-water reactor at Taiwan's Qinghua University.

Muddleheaded, Li Teng-hui and the DPP thought they could use the "nuclear card" to block the will of the people of the whole country for pursuing peaceful reunification. This move will find no popular support. It is the popular will and interest of the Chinese nation to achieve unification of the state. There will be no hope for them to resist this historical trend. For this reason, after Li Teng-hui found that his remarks "went beyond the limit," a "remedy" was made on the second day in Taiwan and Hong Kong, respectively.

Undoubtedly, this sends a signal: Li Teng-hui is "staking everything on a single throw," and is playing the "nuclear card" to challenge the historical trend of peaceful unification. Is Li Teng-hui trying to be a "Moses equipped with nuclear weapons," who intends to deliver the Taiwan compatriots "out of Egypt?" If this is true, the Taiwan question will become more complicated, and will be more difficult to resolve. As a consequence, Li Teng-hui's arrogance will arouse resolute opposition from the people throughout the country, including the Taiwan compatriots. The people across the strait will share a bitter hatred of the enemy, use practical action to check the arrogance of Taiwan independence, and prevent Li Teng-hui from making a reckless move.

Taiwan is merely an isolated island that lacks natural resources. Li Teng-hui and the DPP clamor that they "will not yield to any pressure" on the one hand, and play the "nuclear card" on the other. Instead of

frightening the mainland, this will only cast a "nuclear" shadow on Taiwan.

Neither will international public opinion support Taiwan's independence with the help of its "nuclear program." The "possibility" of developing nuclear weapons "implicated" by Taiwan will damage Southeast Asia's peace and security, as well as world peace and stability. Li Teng-hui's "nuclear farce" will further isolate him. Although Li Teng-hui is backed by certain U.S. politicians on the question of Taiwan independence, when it comes to "nuclear proliferation," the United States will not tolerate such a swell-headed maniac. His show of the nuclear card at a time when he is striving for U.S. support for his Taiwan independence will make the United States calm down and consider this nuclear farce's influence on U.S. strategic interests. If the United States continues to back Li Teng-hui's slide along the dangerous path, it will seriously damage U.S. deployment in Southeast Asia, and will undermine long-term Sino-U.S. relations.

In his speech at the "1 August" Army Day reception yesterday, Chinese Defense Minister Chi Haotian said: "We will unswervingly implement the general principle of peaceful reunification of the motherland"; however, the People's Liberation Army "will not undertake the commitment not to resort to force." "If foreign forces meddle in China's reunification and go in for 'Taiwan independence,'" and if the Taiwan authorities act willfully to split China, we will not sit idly by and remain indifferent." These remarks are meant to tell the whole world that no one can stop the historical trend of China's reunification. Foreign forces should not underestimate the iron will of the Chinese people in safeguarding integrity of the motherland's territory and sovereignty, and in realizing the country's reunification. Neither should

Li Teng-hui underestimate the firm will of the people across the strait against Taiwan independence.

Second Batch of Flood Aid Due From Taiwan Red Cross

*OW0308071495 Beijing XINHUA in English
0636 GMT 3 Aug 95*

[FBIS Transcribed Text] Beijing, August 3 (XINHUA) — The second batch of relief materials from the Taiwan Red Cross Society will arrive in Shanghai soon to support flood relief operations in southern and central parts of China, the Red Cross Society of China announced here today.

In a telegram to Shun Baiqiu, deputy director of the Red Cross Society of China, the Taiwan Red Cross Society expressed sympathy to the flood victims and informed Shun that the second batch of relief materials is being shipped from Taiwan.

A batch of relief medicines has already arrived in Hong Kong.

The relief materials, including foodstuffs, clothes and medical instruments are worth about 9.5 million yuan (about 1.11 million US dollars), and this is the second time the Taiwan Red Cross Society has extended humanitarian aid to flood-hit areas on the mainland. The first batch arrived in June this year.

"The Red Cross Society of China has made concrete plans to dispatch the relief materials as soon as possible to flood victims in Hubei, Jiangxi, Anhui, Sichuan, Zhejiang, Jiangsu, Guizhou, Fujian, Yunnan and Gansu provinces," said Shun.

Spokesman Views Christopher-Qian Talks

OW0308022795 Taipei CNA in English
0129 GMT 3 Aug 95

[By Lilian Wu]

[FBIS Transcribed Text] Taipei, Aug. 2 (CNA) — The Ministry of Foreign Affairs on Wednesday again urged the Clinton administration not to develop relations with Mainland China at the expense of the Republic of China [ROC].

The call came in the wake of a meeting between United States Secretary of State Warren Christopher and Mainland China Foreign Minister Qian Qichen at the one-day gathering of the Association of Southeast Asian Nations (ASEAN) regional forum in Brunei on Tuesday.

The ministry, in a written statement, also said it could not agree with the view that president Li Teng-hui's landmark visit to the U.S. in early June was the main reason behind the recent souring of relations between Washington and Beijing.

The ministry said many outstanding issues existed between the two sides, including trade issues, Mainland China's human rights record, its continued development of nuclear weapons, and its recent arrest of Chinese-born American human rights advocate Harry Wu.

The statement said the government has always stuck to the policy that the Taipei-Washington and Beijing-Washington relationships should be treated separately, and added that the ROC does not oppose Washington's developing ties with third parties as long as it is not done so at the expense of ROC interests.

Ministry spokesman Rock Leng said he would not comment on what effect the Christopher-Qian talks might have on cross-Taiwan Strait relations or on Taipei-Washington-Beijing relations until the ministry is briefed by the U.S. on the talks.

The ministry stressed that the ROC is committed to the unification of China, but believes that the separate rule of Taiwan and Mainland China at the present time is a fact.

The ministry said that in the future, the ROC will continue to follow the principles of rationality, peace, and reciprocity to foster the development of relations between the two sides and the final peaceful unification of China.

As for Beijing's attempts to derail the ROC's bid to re-enter the United Nations, the ministry said that entering the UN and other international organizations has been the long-standing goal of the ROC and also the right of

the ROC as a member of the international community. The government will not abandon the goal for any reason, the ministry said.

Leng earlier said that he saw nothing new or any breakthroughs in the Christopher-Qian talks.

He said that the government had been deeply concerned with the talks, but had learned from news reports that Beijing and Washington were only reaffirming their present stands and had made no breakthroughs in their relationship.

Noting that the issue of Taiwan will re-emerge in future Beijing-Washington talks, he said that the government will pay close attention to any new developments.

The Christopher-Qian meeting was the highest-level contact between the U.S. and Mainland China since bilateral relations soured after the U.S. allowed Li to visit his alma mater, Cornell University.

An official with the Mainland Affairs Council [MAC] also said that MAC had paid close attention to the Christopher-Qian meeting.

Li William, director of the MAC's Department of Information and Liaison, said that MAC will analyse more information before it comments on the meeting.

MAC is the highest body in the cabinet to map out the policy toward Mainland China.

Li Views Military Exercise, Mainland Issues

Confirms Military Exercise

OW0208143395 Taipei China Broadcasting Corporation News Network in Mandarin
2300 GMT 1 Aug 95

[Report by reporter Hsu Ju-lin at the National Assembly in Yangming Shan; from the "Hookup" program]

[FBIS Translated Excerpt] The president confirmed at the National Assembly yesterday [1 August] that the country will hold a large-scale military exercise around 10 October; that is, the National Day.

The president made the above disclosure at the National Assembly early yesterday evening.

According to a well-informed source, the large-scale military exercise, as the president has revealed, will be held in southern Taiwan, and its main purpose is to display the primary strength of our second-generation warships and warplanes. Following is a report by Hsu Ju-lin:

[Begin recording] [Hsu] President Li made the aforesaid remark in response to an inquiry by a National Assembly deputy during a question-and-answer session at the

assembly. He said: During Communist China's guided missile test, our armed forces, pursuant to the principle of confidentiality of military intelligence, did neither publicize nor explain much about this event. However, the president urged fellow countrymen not to cast doubt about our armed forces' improved modern combat capability. As a matter of fact, the Armed Forces will conduct a fairly large-scale military exercise around the National Day to display the firepower and fighting capability.

[President Li] I would like to announce to fellow countrymen an event; that is, the Armed Forces will conduct a fairly large-scale military exercise around the National Day. You will be invited to view the exercise to familiarize yourselves with our Armed Forces' current fighting capability. [passage omitted on juvenile delinquency] [end recording]

Li Denies Trip Tensions

OW0308014295 Taipei China Broadcasting Corporation News Network in Mandarin
2300 GMT 2 Aug 95

[Report by BBC reporter Li Wei-yin; from the "Hookup" program]

[FBIS Translated Text] Responding to national assemblymen's state affairs proposals at the National Assembly session on 2 August evening, President Li Teng-hui said he would not comment on the possible results of the bilateral meeting between the United States and the Chinese communists in Brunei. He also said the allegation that his trip to Cornell University has led to the deterioration of relations between the United States and the PRC is incorrect, and he disagreed with it.

[Begin Li Teng-hui recording] The allegation that (?my trip to Cornell University was) the main reason for the deterioration of relations between the United States and the Chinese Communists is incorrect. We [as heard] totally disagree with this observation. The fact is that there were already many problems between the United States and the Chinese Communists before my U.S. trip. [end recording]

President Li stressed that the United States and the Chinese Communists differ considerably in their understanding of economic and trade ties, human rights [word indistinct], and other issues. He said that three-foot-thick ice cannot possibly be caused by one day's cold. He also believed that the United States disagrees that his trip to Cornell University created the tension between the United States and the Chinese Communists.

President Li also urged the Chinese Communists to develop harmonious cross-strait relations on the basis of

reason, equality, and reciprocity. He said that only by doing this can the two sides create a win-win situation.

Li Seeks Peace Treaty

OW0208114895 Tokyo KYODO in English
1133 GMT 2 Aug 95

[FBIS Transcribed Text] Hong Kong, Aug. 2 KYODO — Taiwan President Li Teng-hui said Wednesday he would welcome a 100-year peace treaty with China as a way to help reunification of the two sides.

President Li said, "to create opportunities for China's peace and reunification...If the 100-year peace treaty can be done, it is even more welcome. This is the best solution."

He also said "mutual trust and rationality" should be strengthened to achieve such a treaty.

China views Taiwan as a renegade province and has threatened to use force if the island declares independence. Both sides have been rivals since the civil war in 1949.

Although China and Taiwan would like reunification, they have different ideas of how to achieve that goal.

Relations between the two sides have deteriorated since June when President Li made a landmark visit to the United States.

China has tried to isolate Taiwan internationally and regarded Li's visit as a move toward independence.

After Li's visit to the U.S., China postponed scheduled high-level talks with the island and conducted a missile test north of Taiwan. The test sent stocks plunging and created fear and panic in the island.

More on Peace Treaty Proposal

OW0308042395 Taipei LIEN-HO PAO in Chinese
3 Aug 95 p 2

[By reporters Ho Chen-chung (0149 2182 1813) and Chang Cheng-li (1728 2973 5461)]

[FBIS Translated Text] Taipei — Making his first response to the meeting between the Chinese Communists' Chien Chi-chen [Qian Qichen] and the U.S. Secretary of State Warren Christopher in Brunei, President Li Teng-hui pointed out at the National Assembly session yesterday that the Republic of China [ROC] Government's long-term objective of China's reunification has remained unchanged, but the two sides of the Taiwan Strait should fully acknowledge that they are two

political entities coexisting in the international community. President Li also welcomed a national assemblyman's proposal that the two sides should sign a "100-year peace treaty."

President Li added he totally disagreed that his U.S. trip led to the deterioration of relations between the United States and the Chinese Communists, saying that the United States does not agree with this allegation, either. He said the United States would absolutely not accept the Chinese Communists' demand to refuse him any more visas to visit the United States.

Today will be last day for President Li to hear national assemblymen's state affairs proposals. President Li will make a policy speech on cross-strait relations in his consolidated response to national assemblymen's proposals before the meeting ends this afternoon. He indicated that he would elaborate on actions to be taken in dealing with future cross-strait relations.

Chou Ping-te, a Democratic Progressive Party (DPP) national assemblyman, proposed yesterday that the governments of the two sides should sign a 100-year "peace treaty," under which the two sides would be obligated to discuss neither reunification nor independence, but to maintain normal and peaceful exchanges. In response, President Li said that he welcomed the proposal and that it would be the best solution if it could be carried out.

In his prepared speech, President Li also made his first response to the talks between U.S. Secretary of State Christopher and Chien Chi-chen, the Chinese Communist vice premier and foreign affairs minister. President Li pointed out that before his U.S. visit, the United States and the Chinese Communists already had unresolved problems concerning human rights, arms sales, economic and trade disputes, and the Harry Wu incident. He said he totally disagreed with the allegation that the deterioration of relations between the United States and the Chinese Communists was caused by his U.S. trip.

President Li stressed that although many national assembly members do not support reunification, the Government of the Republic of China still upholds the reunification policy. He said: National reunification is our long-range objective. China is now in a divided state under separate rules. He urged the Chinese Communist authorities to understand the issue with a more reasonable attitude. He said: We will continue to promote cross-strait relations on the basis of reason, peace, equality, and mutual benefit, in accordance with the Outlines for National Reunification, and we will create positive conditions for China's future reunification.

Fewer Support Independence After Missile Drill

*OW0308101395 Taipei CNA in English
0954 GMT 3 Aug 95*

[By Sofia Wu]

[FBIS Transcribed Text] Taipei, Aug. 3 (CNA) — The number of people supporting Taiwan independence dropped seven percent after Mainland China conducted a missile drill near the northern tip of Taiwan in late July, the opposition Democratic Progressive Party (DPP) said Thursday.

The DPP's campaign strategy committee surveyed public opinion about Taiwan's future political course before and during the mainland missile tests between July 21 and July 28.

In the July 17-21 survey, 33.2 percent of the respondents said they think "Taiwan should become an independent country;" 30.4 percent said Taiwan should reunify with Mainland China in the future; 13.4 percent said they hope to maintain the status quo of "neither independence nor unification;" 6.6 percent said they do not have any opinion about the issue; 10.5 percent said they do not know; and 5.9 percent declined to answer the question.

The poll conducted on July 24-28 found that only 26 percent said they support Taiwan independence, down 7 percent from the previous survey.

Meanwhile, the percentage of people supporting eventual reunification also declined 1.3 percent from the previous survey to 29.1 percent.

On the contrary, the number of people supporting maintenance of the status quo rose 5 percent to 18.4 percent, and the percentages of respondents who either said they have not any opinion or they do not know also increased 4.1 percent and 1.6 percent respectively to 10.5 percent and 12.1 percent.

"The polls help us better understand local people's attitude toward Taiwan's future development course," said Yiu Ying-lung, chief executive of the DPP campaign strategy committee. "The surveys also give us a better understanding of how Beijing's military threats affect Taiwan people's leaning toward independence or unification," he added.

The July 17-21 poll also found that 63.8 percent of the 1,274 adults surveyed maintain that direct cross-Taiwan strait shipping and flight services should not be opened hastily. Only 17 percent said direct cross-strait transportation links should be established as soon as possible; 5.3 percent said they do not have any opinion about the issue; 8.9 percent said they do not know; and 5 percent declined to answer the question.

"The figures show most local people still adopt a very cautious attitude toward the opening of direct cross-strait shipping and air services," Yiu noted, adding the phenomenon is caused mainly by Beijing's reluctance to renounce the use of force against Taiwan and its continued effort to isolate Taiwan in the international community.

Survey results also show that Taiwan people are divided on their recognition of the scope of our territory, Yiu said.

According to the survey, 45.9 percent said the Republic of China [ROC] includes Taiwan, Penghu, Kinmen, Matsu and related offshore islets; while 32.5 percent said ROC territory includes the whole Chinese Mainland in addition to Taiwan, Penghu, Kinmen and Matsu.

Meanwhile, 48 percent said ROC citizens are those 21 million people residing in Taiwan, Penghu, Kinmen and Matsu; but 32.7 percent said ROC citizens should include the 1.2 billion residents of the Chinese Mainland.

Residents Undaunted by Missile Exercise

OW0308104495 Taipei CNA in English
1014 GMT 3 Aug 95

[By Sofia Wu]

[FBIS Transcribed Text] Taipei, Aug. 3 (CNA) — Taiwan people apparently have not been daunted by Mainland China's frequent military exercises along its coast opposite Taiwan, according to a recent survey by the opposition Democratic Progressive Party (DPP).

The nationwide opinion poll was conducted by the DPP's campaign strategy committee between July 24 and July 28 when the Mainland Chinese Army was undertaking a missile drill near the northern tip of Taiwan.

The poll of 1,413 adults found that 66.7 percent of the respondents said frequent mainland military exercises would not make them pessimistic about Taiwan's future; only 19.8 percent said Beijing's military threats would make them more pessimistic about Taiwan's prospects.

Ten percent said they don't know whether frequent mainland military drills would affect their confidence in Taiwan's future; 3.4 percent said it depends; and [figure indistinct] percent declined to answer the question.

On Beijing's attempt to downgrade Taiwan to a province of the People's Republic of China, 66 percent said Taiwan should fight against that plot; only 4 percent said Taiwan should accept Beijing's terms.

The poll also found that 57.9 percent said Taiwan should strengthen its defense capabilities to take on Beijing's

challenges; only 5.7 percent said Taiwan should stop its pragmatic diplomatic offensive to avoid irritating mainland authorities.

DPP Secretary-General Chiu Yi-jen said the poll shows the people of Taiwan won't be daunted by Beijing's military threats. "Moreover, Beijing's intimidation only helps consolidate unity among Taiwan people," he observed.

Mainland To Intensify Political Pressure

HK0208084095 Hong Kong LIEN HO PAO
in Chinese 30 Jul 95 p 8

["Special article" by staff reporter: "Taiwan Affairs Departments Relay Tough Stance"]

[FBIS Translated Text] In a series of moves to intensify political pressure on Taiwan, Beijing has notably changed its policy toward Taiwan.

Word in Beijing has it that the CPC Central Committee held a "meeting to review Li Teng-hui's U.S. visit" between the end of June and early July. Chaired by Jiang Zemin, the meeting was attended by members of the central working groups for Taiwan affairs and leaders of the Taiwan Affairs Office under the State Council and of other departments responsible for Taiwan affairs. Some people at the meeting severely attacked Taiwan policy for being soft and weak. The two key points are: 1) After Li Teng-hui's visit to the United States, a Taiwan affairs department had reported to the party Central Committee that "it would not affect cross-strait relations," yet the consequence is irremediable. 2) Before Li Teng-hui's U.S. visit, Tang Shubei, vice chairman of the Association for Relations Across the Taiwan Strait [ARATS] still made a visit to Taiwan without upholding the central policy.

The CPC Central Committee Turns Tough on Its Position

At the meeting, Jiang Zemin reviewed and briefed the participants on the response of the party Central Committee to Li Teng-hui's visit and stressed the need to adopt a tough position. After the meeting, Jiang Zemin called on the Taiwan Affairs Office under the State Council to immediately convene a meeting at which scholars and experts discussed countermeasures and decided to make a strong reaction against Taiwan before Jiang Zemin's visit to Europe in early July.

After the keynote was set, cadres of the Taiwan Affairs Office and ARATS, who maintain frequent contacts with Taiwan and have a better understanding of the Taiwan situation, all of a sudden were criticized as "pacifists" or for taking a "pro-Taiwan line": "As a result

of being soft on Taiwan, they are engaged in Taiwan independence. In the past when we did not have such units as the Taiwan Affairs Office and ARATS, they did not engage in Taiwan independence. After holding discussions with them for a long time, you are still going to lose Taiwan. You must be held responsible for it." Under strong pressure, some leaders became "speechless." The conservatives even spoke bluntly: "You have talked for a long time but still brought about this situation. Now it is the time for us to speak." The CPC Central Committee is therefore shrouded in an atmosphere of being tough on Taiwan.

At the previous meetings held by the Taiwan Affairs Office to study the Taiwan issue, mainland scholars held three different views on the Taiwan issue: Some said Taiwan would eventually move toward reunification, others said it would engage in independence, and still others said Taiwan was awaiting changes by stalling. However, at this meeting, the "three views were combined into one." All scholars noted that Taiwan is "heading toward independence" and the situation is grave. Hence, to endorse the policy, the government officials and academic circles found a rationalized factor for reaching a consensus on putting pressure on Taiwan.

As for the change in policy, a mainland official disclosed that the United States had caught the Chinese top echelon off guard by suddenly allowing Li Teng-hui to visit the United States. Had Li Teng-hui not made speeches or built up momentum during his U.S. visit and after his return to Taiwan, Taiwan affairs departments would have attacked him through media as they did his "vacation diplomacy" and "money diplomacy" in the past. However, they found that Li Teng-hui had gone further and further off the track of "one China" in his speeches and their effect was likely to expand internationally; then, Lien Chan visited Europe and attempted to buy an entrance ticket to the United Nations for \$1 billion. Realizing that moves to create "one China, one Taiwan" have become too vigorous, Taiwan affairs departments cannot but change their policy.

It is said that some department heads are likely to be held responsible for this incident and some have been "criticized." It is learned that some officials of the Taiwan Affairs Office who still visited Taiwan in early July have been criticized for "having no stance."

Certainly, in addition to Taiwan affairs departments, Chinese foreign affairs departments have also been castigated by the Chinese top brass for "dereliction of duty." The Chinese military has repeatedly expressed intense discontent over the diplomatic setback, deeming it "a complete failure in diplomatic work toward the

United States." Qian Qichen, foreign minister and deputy head of the Leading Group for Work on Taiwan bore the brunt of it and came under strong pressure.

Cross-Strait Talks Are Suspended

It is noteworthy that those who are regarded as "pacifists" in the party have been pushed out and become "scapegoats." Some pacifists including some department heads have begun to find it futile to have done so much work on Taiwan in the past. Now they have become the target of criticism and their prospects will be seriously affected. As a result, they have turned the spearhead at Taiwan and become "capable people" advocating a tough policy. A source disclosed that the pressure on Taiwan affairs departments came from the party Central committee. The conservatives are of the view that China cannot continue to be soft in this situation. It must give a strong reaction and be tough on handling it. Some party elders even proposed that China should make no concessions to the United States and Taiwan but should maintain its position even if it has to make more sacrifices.

In the tense cross-strait situation, Taiwan affairs departments have fully relayed the party Central Committee's tough stance, by suspending cross-strait routine negotiations and the second Koo-Wang talks and lowering the level of exchanges. The future internal restructuring of Taiwan affairs departments, their change in policy, and personnel shake-up are likely to affect cross-strait interaction, which should be the focus of observation for Taiwan.

Paper Reports on PRC Threat, Containment

OW0308090495 Taipei CHUNG-YANG JIH-PAO
in Chinese 27 Jul 95 p 2

[By reporter Mou Wen-min (3664 2429 2424)]

[FBIS Translated Text] Taipei — In view of the tension between the two sides of the Taiwan Strait, the Mainland Operations Committee [MOC] under the Chinese Kuomintang [KMT] Central Committee yesterday [26 July] submitted a report to the KMT Central Committee Standing Committee. The report, entitled "An Analysis of the Possible Changes in the Chinese Communists' Taiwan Policy," notes that, to allay pressure from various quarters, the Chinese Communists will unlikely carry out their Taiwan policy according to Chiang Tse-min's [Jiang Zemin's] eight-point proposal; and that, in addition to the recent string of actions, there will be incessant follow-up movements.

The report maintains that these follow-up movements will show that the Chinese Communists are heading toward a hard-line Taiwan policy — possibly in the mil-

itary, diplomatic, economic, psychological, and political areas; and that because of the many uncertainties, we should move cautiously and deal with the situation carefully.

The report notes: The Chinese Communists have accused us of conniving with the development of "Taiwan independence" activities, and used this as the pretext that they will "absolutely not commit to non-use of force." Although Chiang Tze-min proposed that "Chinese will not fight Chinese," the opposite meaning of the phrase is exceedingly clear. To safeguard national security and the people's well being, we should avoid letting the Chinese Communists have any excuse.

While the printed MOC report was given to the meeting's participants for their reference, and neither a supplementary verbal report nor a discussion was made to the Standing Committee meeting, high-ranking officials said the report was the latest analysis of the Chinese Communists' military exercise, missile tests, verbal threats, and attacks against President Li so far since President Li visited the United States; and that the analysis, which has guiding significance, will be submitted to the highest authorities, through proper channels, for their examination.

According to the report, the changes in cross-strait relations have a direct impact on the Chinese Communists' so-called "state interests," and so they will adopt different strategies according to different situations. If Taiwan's "separatist" tendency constitutes a conspicuous threat to their principle of maintaining "sovereign and territorial integrity," the Chinese Communists may settle the dispute through "non-peaceful means."

The report says: The Chinese Communists' established Taiwan policy is characterized by "peaceful reunification; and one country, two systems." Since there is no specific timetable, all Chinese Communist leaders of the older generation have a strong "sense of urgency" on the question of when "reunification" can be achieved. This, as well as internal instability, the development of Taiwan's political situation, and changes in the development of the world situation, may prompt the Chinese Communists to change their Taiwan policy.

As a result of the new changes in the trilateral U.S.-mainland-Taiwan relations, the Chinese Communists have attempted to readjust their strategic order, placing the "Taiwan issue" above relations with the United States. This is why the Chinese Communists have taken an intransigent attitude toward the United States and have repeatedly exercised pressure on us.

The report points out: The Chinese Communists' Taiwan policy may change in the following areas:

1. They will continue their military threat: They will continue to carry out high-technology psychological warfare against us in accordance with how we and the world respond to their recent eight-day missile-launching tests.

2. They will intensify their diplomatic blockade against us: They will continue to press other countries to acknowledge that they are "the only legitimate government of China," intensify their efforts to contain our pragmatic diplomacy, and seal all the gaps and space we use to expand our international activities.

3. Economically they will continue to use profits to lure us to go deeper: They will continue to use preferential measures to lure Taiwan businessmen to go deeper so that, when necessary, or when the time is ripe, they will carry out their tactics of "encircling politics with commerce," "exercising pressure on government authorities through the civilian sectors," and "promoting reunification through postal, commercial, and shipping links."

4. They will intensify their efforts to disintegrate us through psychological means: They will employ the aforementioned tactics to coordinate their intensive attacks against us through the media in an attempt to disintegrate our solidarity and break our psychological defense. Once our psychological defense breaks down, there will be no national defense.

5. Politically they will force us to negotiate with them: The ultimate goal of all the tactics employed by the Chinese Communists is to force us to sit down unconditionally at the negotiation table. While the current situation still permits us to do a lot of things, we must come up with proper countermeasures as quickly as possible.

According to the MOC's analysis, the Chinese Communists themselves are also beset with the potential crisis caused by the transfer of leadership, and the more unstable their political situation has become, the more advantageous it is to us. However, a Chinese Communist regime beset with unrest is apt to lose its reason and will certainly become even more dangerous.

Meanwhile, the MOC also maintains that we should not lightly approach the patriotic and nationalistic upsurge recently whipped up by the Chinese Communists, because it would become a great threat to us if the Chinese Communists take advantage of their rising international prestige and handle the "Taiwan issue" through employing patriotism and nationalism.

Foundation Chief Views Mainland Dissidents

OW0308012895 Taipei TZU-LI WAN-PAO in Chinese
27 Jul 95 p 2

[By reporter Cheng Shao-chun (4453 4801 3196)]

[FBIS Translated Text] At a forum on cross-strait social issues this morning, Chiao Jen-ho, secretary general of the Strait Exchange Foundation [SEF], said: The reason Taiwan does not accept "one country, two systems" is that it is unwilling to sit by and watch Chinese people on two sides of the Taiwan Strait experience different living standards.

Chiao Jen-ho said: The government absolutely will not change its objective of reunifying China. Therefore, the mainland will be the place for us to develop in the future. The people of Taiwan should pay attention to various issues on the mainland. If the Chinese Communists do not handle these issues properly, they will become Taiwan's future problems.

Chiao Jen-ho said: No leader of any country can demand that its people forgo their rights for a long time, simply stressing that they should make sacrifices for their country. If the Chinese Communists persistently blare the slogans of nationalism, a society with such a flimsy foundation will eventually be phased out.

Chiao Jen-ho urged: The Chinese Communists should treat political dissidents nicely, because only ideals and constructive proposals can facilitate social progress. No ruler can sustain his political power through repressive measures. Consequently, the SEF is willing to provide relevant Taiwan experience in this matter for the mainland to carry out its reform.

***KMT Standing Committee Member Meets Jiang Zemin**

95CM0316A Taipei HSIN HSIN WEN [THE JOURNALIST] in Chinese 22 Apr 95
No 423, pp 33-34

[Article by Chuang Feng-chia (8369 0023 0857): "Kao Yu-jen Meets Alone with Jiang Zemin for Three Hours of Talks"]

[FBIS Translated Text] With relations across the Taiwan Strait in a delicate state, KMT Central Committee Standing Member and Legislative Committee Member Kao Yu-jen [7559 5148 0088] went to Beijing at the end of March 1995, to meet alone with CPC Central Committee General Secretary Jiang Zemin. He was accompanied by PRC Taiwan Affairs Office Director Wang Zhaoguo. As the topics that they discussed were so sensitive, Kao Yu-jen asked to see President Lee Teng-hui after the first meeting of the KMT Standing

Committee at the end of the National Reunification Conference. He talked with the president for over an hour alone. It is understood that while he mainly reported to Lee Teng-hui on what he had learned on that trip, Kao Yu-jen denied that the trip involved any messages to be passed on.

As to what he had actually talked about with Jiang Zemin, Kao Yu-jen would only emphasize that the meeting was completely his own idea, as well as being private. He said that he really ought not to reveal too much about it without the other party's consent. He thus took quite a cautious attitude toward the substance of the meeting, and was unwilling to discuss it much.

Kao Yu-jen noted that his main purpose for going to Beijing was to attend the Cross-Strait Relations Development Forum on behalf of the 21st Century Foundation which was jointly sponsoring that forum with the PRC Chinese Academy of Social Sciences (CASS). While that forum was originally planned for 1994, it was postponed until 1995 due to the Thousand Islands Lake [arson] incident, which had stopped cross-strait cultural and educational exchanges. In the interval, the mainland side had repeatedly sent representatives to Taiwan to consult on arrangements for the forum.

Kao Yu-jen said that it was when the mainland figures had come to Taiwan for those consultations that they had probably asked him if he would meet with Jiang Zemin if the opportunity arose. He emphasized at that time that he was taking 20-some professors to the forum in his capacity as delegation chief, and certainly had no official status. He stressed that he had certainly not asked to see anyone, but would not evade a meeting if the opportunity arose.

Kao Yu-jen's delegation set out on 29 March from Taiwan to Beijing, where they received a quite courteous reception, with the PRC moving them from their hotel to the Daiyutai guesthouse for the entertainment of honored guests. It was arranged that Kao Yu-jen would meet alone with Jiang Zemin on the 31st; they were accompanied only by Wang Zhaoguo, who never said a word.

Kao Yu-jen noted that their meeting lasted over three hours, being an exceptionally in-depth dialogue on cross-strait relations, not merely a formalistic exchange of views. At the end of that meeting, it is understood that as Jiang Zemin especially honored Kao Yu-jen's views; he arranged meetings by PRC officials involved in policymaking on Taiwan with Kao Yu-jen on various occasions, to learn the Taiwan side's views.

Kao Yu-jen notes that he conveyed to Jiang Zemin certain of his basic personal views on cross-strait

relations. He dealt with the cross-strait separation and divided rule mainly from the perspective of historical facts and legal principles. He pointed out that there were really only two points of contention in the current cross-strait dispute: 1. Taiwan was demanding that the PRC unconditionally promise to renounce the taking of Taiwan by force to show its sincerity, while the PRC was setting terms such as no Taiwanese independence as its grounds for being willing to renounce the taking of Taiwan by force; 2. Taiwan was hoping that the PRC would not put pressure on Taiwan's international standing, while the PRC was making it a prerequisite that Taiwan not create one China, one Taiwan or two China's, holding that Taiwan thus should not form overseas ties.

Kao Yu-jen noted that as these two points of contention were really wishful thinking on each side, if the dispute were to continue with no possible end, then he would approach it from the perspective of historical fact.

Kao Yu-jen told Jiang Zemin that a full century had passed since the 1895 Maguan Treaty had ceded Taiwan. And while the Qing Dynasty was responsible for the separation of Taiwan from the mainland, and as the PRC held itself to have inherited Chinese sovereignty, why would it not accept the responsibility for that failure of morality and justice? And during that century, except for the four years from 1945 to 1949 when Taiwan was under united ROC rule, Taiwan was divided and ruled separately from the mainland for all of the other 96 years. Kao stressed that this was historical fact, for which Taiwan was not responsible, and which was undeniable.

Kao Yu-jen also told Jiang Zemin that while Taiwan has been separate from the mainland for 50 years, it was still 50 years from the PRC's so-called reunification in 100 years. During the coming 50 years Taiwan would still need to survive and develop, for which it cannot be isolated on the small island of Taiwan alone. So the PRC ought not to take every opportunity to put pressure on Taiwan's international standing. And Kao said that as the PRC's version of one country, two systems would allow Taiwan to maintain its political parties, government, and military, as well as to have its own legislative and judicial authority, he had to ask if that did not constitute division and separate rule, what did it constitute? So the PRC's unilateral emphasis against separation and divided rule was certainly hard to understand.

Once Jiang Zemin had heard out Kao Yu-jen, he certainly provided no defense, merely stating that this was a historical tragedy, and that the need was to look toward the future. And in response to Kao Yu-

jen's eight-point query to Jiang on why the PRC would not promise to renounce the taking of Taiwan by force, Jiang Zemin stated with his consistent stance that that would occur only in response to Taiwanese independence or to foreign influences.

In addition to conveying these views, Kao Yu-jen says that he and Jiang Zemin also exchanged views on many other issues such as while both sides have talked about ending hostilities, they conducted an in-depth exchange of views on the different implications and motives of each side. But Kao also noted that while many of the literal meanings were the same, as to the deeper implications, he felt that it seemed as if both sides still did not understand each other. Kao holds that unless both sides better understand each other, it will be very hard to reach consensus.

***KMT 'Dollar Diplomacy' Reviewed**

95CM0355A Taipei HEIPAI HSINWEN [TAIWAN WEEKLY] in Chinese 27 May 95 No 85, pp 36-37

[Article by staff reporter Li Yi-jen (2621 5030 0088): "We Gave the King of Swaziland an NT\$8 Million Limo"]

[FBIS Translated Excerpt] [passage omitted] Swaziland has had diplomatic relations with Taiwan for a long time. Except for the Swaziland aristocracy, most of its people live in poverty, and the huge gap between rich and poor is one of the major characteristics of its economic situation. Last year, a group of 30 to 40 journalists conducted interviews there. First of all, the journalists found that the King of Swaziland's limousine was a Rolls-Royce worth NT\$8 million, and that this was a gift given him by our government a few years ago. In addition, King Mswati III has a "Fuke [4395 0344] 100" jet plane for his personal use, worth \$30 million, of which \$10 million was a loan from our government.

Another purpose for Li Teng-hui's visit to Swaziland was to attend the dedication ceremony for King Mswati II's memorial park, for which we also provided \$500,000 to help with the construction costs.

After the completion of the dedication ceremony, and right after our journalist group had left, impoverished Swazilanders who have nothing ran to battle for the food and drink displayed at the park for the national banquet, regardless of the protocol of a national ceremony. The outcome was that people were trampling each other. The police, unable to stop them, finally joined the robbing band. The local English language newspaper, "Swaziland News," reported that some of the aristocrats present also joined in the plunder after seeing what was happening. The place was in chaos, and at least one

13 year-old girl had to be hospitalized for treatment of head injuries. Diplomats from various countries who were present and witnessed the incident were very embarrassed.

Media exposure of this riot should have sent a warning about our aid to African nations. What kind of return have we received for the huge amount of capital we put into the African countries each year? And especially, do their people really benefit from it? [passage omitted]

Yeh Chu-lan [0673 5468 5695] of the Legislative Yuan's Foreign Relations Committee pointed out when convening members for a meeting that this year we have earmarked as much as several billion NT dollars for foreign aid, with African countries the number one recipients. One-third of the total will go to Africa, followed by the Central and South American countries. Very little is budgeted for the developing nations of Europe.

Yeh Chu-lan expressed criticism that the Foreign Ministry's secret budget was basically kaizi [0418 1311] diplomacy. It was really heartbreaking, and made her feel sorry for Taiwan's taxpayers. But opposition by KMT [Koumintang] members of the Legislative Yuan resulted in only a few tens of millions of yuan being deleted from the budget. Therefore, we can see that the Foreign Ministry's so-called "secret" budget is something they dare not make public. It is an ugly budget, almost completely devoid of any constructive significance as foreign aid.

Our foreign aid policy has reached a point early on where it must be thoroughly examined and criticized. Otherwise, not only will the waste of public funds not be halted, it could also make Taiwan subject to blackmail for seeking to maintain diplomatic relations. In addition to Swaziland, previous financial aid to Lesotho and Liberia also did not accomplish its goals. It has been noted that Lesotho's military government accepted a fund worth 5 million in South African currency (about NT\$40 million) that Taiwan has given as support for a cooperative agricultural project. This was originally deposited in that country's central bank, but it was later announced that it had disappeared. Our ambassador to Lesotho Kuei Chung-ch'un [2710 0112 4783] investigated and learned that this fund had been moved out to pay the salaries of government officials and personnel. For investigating and tracking this fund, Ambassador Kuei was dismissed by the government. He died a few days after arriving home, and to date relations between the two countries are still abnormal.

Liberia's "scandal" is also incredible. When our Liberia ambassador Teng Ch'uan-ch'ang [6772 2938 2490] returned to this country the year before last, he received

a medal from the president honoring his working achievements in Liberia. But who could have known that on his way back, a political coup would take place in Liberia, preventing Ambassador Teng from entering the country. He was forced to stay in the neighboring Ivory Coast for over a year. Our 200 million yuan in aid to Liberia was also lost track of because of that country's civil war. Two weeks ago, when the Ambassador returned home in response to a Legislative Yuan inquiry, no one asked him his feelings about "spending a long vacation" in Ivory Coast. [passage omitted]

The Central African Republic and Nigeria are two countries that restored diplomatic relations with us last year. Their diplomatic relations are not completely reliable. Both countries at one time accepted economic aid from Communist China and broke off diplomatic relations with us. Last year, because Communist China could no longer afford to pay out money to cope with these two countries' economic difficulties, they turned to us—the big money holder. Today our government must be the big boss behind the scenes paying their government officials' salaries.

As for Central and South America, the most embarrassing incident for our diplomatic corps was the million dollar deal exposed to the media last year by an American editorial writer and which concerned Aristide, president of Haiti's government-in-exile. Reports are that as part of a request to Aristide to speak out at the UN in favor of our rejoining the UN, we paid him \$1,000,000 as a reward. Unfortunately, Aristide had just announced to our side in the morning that he would make the favorable speech, when he was pressured by the Chinese Communists. He immediately made another announcement recanting his words of that morning.

Among the Central and South American countries, Nicaraguan President Mrs. Chamorro is the government leader most supportive of our rejoining the UN. However, our government's reward was also very generous, a loan of more than \$170 million in this instance. Besides this, we have also given Nicaragua several tens of millions of dollars as a thank-you gift. No wonder Nicaragua's congress speaks for us "out of a sense of justice."

An unverified rumor has it that one month ago, when Cornell University President Lodge visited Taiwan to meet with alumni and President Li Teng-hui, he had originally intended to collect a donation from the Taiwanese, but was later advised that the domestic political situation is so tense that he discarded his intention. While this might have been a signal sent by the "anti-Li" camp, still, whenever foreign leaders visit

here, there are always rumors that they are coming to collect money from Taiwan, and it is sometimes hard to tell if they are true or false. Our country has been given an "international kaizi" image, and looking at the aforementioned diplomatic issues, it appears to be fairly close to the truth.

This year, South African President Mandela will possibly make an Asian trip, during which he will visit Japan and South Korea. Our country is negotiating for him to visit Taiwan. If Mr. Mandela does visit Taiwan, how much of a "money package" our government will offer him at that time will be a topic of much discussion in the domestic media. [passage omitted]

Banks Not To Open Mainland Branches

OW0308092495 *Taipei CNA in English*
0905 GMT 3 Aug 95

[By Debbie Kuo]

[FBIS Transcribed Text] Taipei, Aug. 3 (CNA) — The time is not yet ripe for Taiwan banking institutions to relocate their operations on the Chinese Mainland, a Mainland Affairs Council (MAC) official said Thursday.

Fu Tung-cheng, director of the MAC Economic Affairs Department, said current ROC [Republic of China] government policies allow only Taiwan banking associations to establish liaison offices on the mainland for market information collection. No Taiwan banks are permitted to open branch offices on the mainland, he said.

Commenting on reports Wednesday that Governor Dai Xianglong of the People's Bank of China invited Taipei's Dah An Commercial Bank and other Taiwan banking institutions to relocate to the Chinese Mainland, Fu nixed the possibility of Dah An's opening an affiliate in the mainland at present.

Dah An Chairman and former ROC Finance Minister Loh Jen-kong reportedly met with Dai Wednesday in Beijing. During the meeting, Dai invited Dah An and other Taiwan banks to expand their operations to the mainland, and Loh formally proposed that Dah An open branch offices in Beijing and Shanghai.

It was also reported that to lure investment from the Taiwan banking sector, the Mainland Chinese authorities have significantly eased investment restrictions, including lowering paid-in capital requirements and allowing Taiwan banks to open branch offices immediately rather than operating representative offices before upgrading their operations.

Foreign Capital for Domestic Bourse Increases

OW0308100995 *Taipei CNA in English*
0931 GMT 3 Aug 95

[By Y.C. Tsai]

[FBIS Transcribed Text] Taipei, Aug. 3 (CNA) — The net inflow of foreign capital for investment in the domestic bourse hit US\$565.37 million in July, the largest amount since the beginning of this year, the Central Bank of China (CBC) said Thursday.

CBC statistics show that a combined US\$675.85 million was remitted in by foreign mutual fund companies and institutional investors last month, while outbound remittances totaled US\$110.48 million, thereby leaving a net inflow of US\$565.37 million.

July's net capital inflow represented a big jump from June's US\$210 million. The first five months of this year, however, saw outbound remittances exceed inbound remittances.

In aggregate, net inbound remittances for stock investment amounted to US\$184.74 million between January and July, with foreign institutional investors channeling US\$403.19 million into Taiwan and mutual fund companies sending out US\$218.45 million.

Currently, foreign institutional investors are allowed to invest up to 12 percent of the bourse's market value, which reached US\$20.68 billion on the basis of stock prices on July 31.

The central bank has approved an aggregate US\$10.82 billion for foreign stock investment by the end of July, thereby leaving a balance of US\$9.86 billion for more investment from abroad.

Of the approved amount, about US\$5.64 billion has been remitted in.

All the figures pointed to ample room for further foreign stock investment in Taiwan and little urgency in raising the ceiling on foreign investment, central bank officials said.

Flights To Russia Not Expected in 1995

OW0308100895 *Taipei CNA in English*
0939 GMT 3 Aug 95

[By Lilian Wu]

[FBIS Transcribed Text] Taipei, Aug. 3 (CNA) — Although Taiwan and Russia have reached agreement on opening direct flights, the goal will not be realized this year, the Ministry of Foreign Affairs said Thursday.

The ministry was responding to a local news report that said Taiwan-Moscow direct flights may begin later this year.

Ministry officials said some technical problems must be worked out before such flights can take place.

They noted that Taiwan and Russia signed a draft agreement two years ago under which both sides agreed to ply the route twice a week.

Under the draft, Russia's Trans Aero will fly the route. The Russian side, however, did not agree to Taiwan's suggestion that flag-carrier China Airlines [CAL] ply the route, and CAL-affiliate Mandarin Airlines is expected to operate the service instead.

Hong Kong

Qian Qichen Meets With XINHUA Officials

HK0308072995 Hong Kong EASTERN EXPRESS
in English 3 Aug 95 p 1

[By Rain Ren: "Qian Pays Brief Visit"]

[FBIS Transcribed Text] The Chinese Foreign Minister, Qian Qichen, stopped briefly in Hong Kong yesterday as he made his way back to Beijing after this week's Asean conference in Brunei.

Officials from the Hong Kong office of the New China News Agency (Xinhua) attempted to play down the fleeting visit, which was not publicised in advance, and said Qian was just passing through Hong Kong.

Qian was received by Zhou Nan, the director of Xinhua, at Kai Tak airport and was driven to the Xinhua office where he had lunch with Zhou and his deputies. Two representatives of the Chinese team of the Sino-British Joint Liaison Group, Zhao Jihua and Chen Zuo'er, also attended the lunch.

A Xinhua official said that there were no serious discussions on any particular issue during the brief meeting.

"It could not even be called a working lunch since he was indeed just passing through," the official said. "People should not expect him to hold a formal meeting to discuss Hong Kong affairs following a hectic time in Brunei."

At Kai Tak airport, Qian was greeted by the acting political adviser, John Aston, and the acting director of protocol, Louise Tam.

The Government was informed of Qian's stopover last Friday, but the Chief Secretary, Anson Chan, did not seek a meeting with the foreign minister, according to Government officials.

"The reception offered by the Hong Kong Government to Vice-Premier Qian Qichen is in line with the normal protocol arrangement for senior government officials visiting Hong Kong or in transit," the deputy information co-ordinator, Carrie Yau, said.

Yau said there was "no discussion of any substantive issues" in the brief meeting between Aston and Qian.

Confidence Rises in 'One-Country, Two-Systems'

HK0308073295 Hong Kong EASTERN EXPRESS
in English 3 Aug 95 p 2

[By Wong Chi-shing: "Deals Raise Hopes For '97"]

[FBIS Transcribed Text] The confidence of Hong Kong people in the "one-country, two-system" concept has

recovered since early 1994 due to the improved Sino-British relationship, a survey released yesterday said.

The opinion poll conducted by the University of Hong Kong's social sciences research centre from July 14 to 17, about 700 days before the handover of Hong Kong, found that the proportion of respondents feeling confident about the formula had risen from a low point of 35 percent in the first half of 1994 to 44 percent.

This was the sixth of a series of polls in which Hong Kong people aged 18 and older were interviewed through random telephone sampling. The same confidence level was obtained in the first poll in early 1993.

However, the proportion of respondents having no confidence in the future system had increased by 2.2 percent to 38 percent compared with the last poll two months ago, although it was lower than the 46.6 percent recorded in late 1993 and early 1994.

People who could not specify whether they were confident in the "the one country, two systems" formula amounted to 21.5 percent of those surveyed — a little lower than the highest point of 23 percent in the May-June poll.

The latest poll was conducted after a series of events relating to the handover of Hong Kong's sovereignty. Nearly 30 percent of the respondents said their confidence in the "one-country two-systems" concept was improved by the Sino-British agreements on the establishment of the court of final appeal and on the financial arrangements for the new airport. However, 6.3 percent said the agreements made them less confident about the handover. The confidence of another 49 percent was unmoved by the events.

The centre believes the results show how improvements in the Sino-British relationship through the agreements helped to increase people's confidence in the "one country two-systems" formula. The recent visit to Beijing by the Chief Secretary, Anson Chan, bolstered the confidence of 23.3 percent of those polled, but dented the hopes of 7.5 percent. However, 35 percent said Chan was right to visit and 24.8 percent disagreed.

The centre said the result showed that people generally had reservations about possible secret exchanges between China and Britain.

Editorial Applauds U.S. Senate Defeat of Refugee Plan

HK0308072495 Hong Kong SOUTH CHINA
MORNING POST in English 3 Aug 95 p 16

[Editorial: "Need for Realism"]

[FBIS Transcribed Text] The US Senate's derailing of the controversial resettlement plan for Vietnamese boat people is good news — not just for Hong Kong but for all the Asian nations struggling to put this problem behind them.

Even without being implemented, Congressman Chris Smith's proposed amendment — to provide cash to resettle even those denied refugee status has caused extensive harm. Voluntary repatriation has slowed to a trickle, with hundreds who had previously agreed to return changing their minds at the last moment. And the mass rioting during a transfer operation at Whitehead in May was, at least in part, due to the boat peoples' belief that the amendment would give them a chance to reach the US.

To encourage such hopes was cruel and unrealistic. Even had the amendment been passed, it would not have applied to most of the boat people in Hong Kong, who come from former North Vietnam.

As it was, it was lost, without even being discussed, when the Senate bill to which it was to have been attached fell victim to wrangling between Democrats and Republicans.

Congressman Smith will doubtless try again to get his proposal, which has already been approved by the House of Representatives, through the Senate. But any illusions that it has a realistic chance of becoming law should have been shattered by yesterday's vote. After so many wasted months, when uncertainty stalled repatriation plans, every effort must be made to publicise the derailing of the amendment — and use this to boost the number of returns.

One step in the right direction is the tentative discussion between Hanoi, Washington and the Association of Southeast Asian Nations on a new formula to kick start the stalled repatriation programme, through a "two-track" process of encouraging boat people to return home voluntarily in exchange for another chance to be screened for refugee status by US immigration officials based in Vietnam. Such an imaginative idea is a welcome by-product of Washington and Hanoi's recent normalisation of relations and should be followed by others.

For too long, Hong Kong has been forced to live with a problem not of its making, and one that most of

the community would rather have nothing to do with. What is needed are more solutions — rather than ill-considered proposals from Congressmen that only serve to perpetuate the problem.

More on Refugee Policy

HK0308072395 Hong Kong HONGKONG
STANDARD in English 3 Aug 95 p 14

[Editorial: "Confusing Twists in American Policy"]

[FBIS Transcribed Text] The zigzag course of American policy on Vietnamese boat people lurched sideways again on Tuesday when a Washington official revealed details of a new proposal by the Clinton administration.

According to Undersecretary of State Peter Tarnoff, the United States will accept 20,000 fewer refugees in the next fiscal year because the number of Vietnamese eligible for asylum has dropped.

Mr Tarnoff told the Senate judiciary committee that President Bill Clinton has proposed lowering the number of refugees to be admitted in 1996 from 110,000 to 90,000.

The US has admitted 1.1 million Indochinese refugees since the end of the Vietnam War, according to the US Department of Health and Human Services. The vast majority are Vietnamese.

But programs such as those that resettled the children of US servicemen who served in Vietnam and more recently former political prisoners are being phased out as the number of Vietnamese who qualify for asylum drops.

Vietnam was well known in the 1960s as a graveyard for the political reputations of American office holders. These days, however, America's Vietnamese boat people policy appears to be a graveyard for logic and consistency.

Assistant Secretary of State Phyllis Oakley revealed last month that the US had given up hope of persuading boat people to return home and was pinning its hopes on a new re-screening plan. She said the administration "would be prepared to support a proposal to provide opportunities for resettlement interviews upon return for those now in camps who agree to return to their homes voluntarily."

But how does that square with Mr Tarnoff's comments?

Washington is planning to slash its refugee quotas, why does it need to rescreen boat people for refugee status?

The constant twists and turns in US policy are causing considerable confusion in Hong Kong and other ports

of first asylum. We are lost in a bewildering maze of contradictory American proposals.

The policy shifts have also raised false hopes among the boat people themselves. Is Washington really planning to rescreen boat people for refugee status so that more of them can resettle in the US? Or is it cutting back on its quotas of refugees? Each new statement from Washington seems to create more confusion.

This confusion is largely unnecessary because it has arisen not out of America's convictions or its mature consideration of hard realities but through a series of dubious theories, many of them based on domestic political considerations.

Vietnam, meanwhile, may be more willing to take these people back now that it has joined the Association of Southeast Asian Nations (Asean).

It knows that other Asean countries will not stand for Vietnamese intransigence on this issue. It will also be more in touch with the initiatives and moods of such countries as Malaysia, which has its own boat people problems. And it will feel an obligation to work as a team with its neighbours.

Does this mean that the curtain may be about to rise on the final act of the long-running boat people drama? Much will depend on whether America can make up its mind what policy it is going to follow—and stick to it.

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